The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

October 1, 1938

Neutrality For Shanghai?

AN EDITORIAL

★

The Yen Takes A Tumble

★

Hitler Rewrites the Bible

★

Troubled Europe

★

U. S.-Japan Salmon Battle

BY FRED PASLEY

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Volume 86 Number 5

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In the United States Court for China

In re. IN THE MATTER OF THE ESTATE of ERNEST HIEBER, Deceased.

Cause No. 4355
Special Proceedings No. 2234

NOTICE

Filed at Shanghai, China, September 19th. 1938.
William T. Collins, Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of ERNEST HIEBER, deceased, to present the same with vouchers to the undersigned on or before March 24, 1939, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

H. D. RODGER,
320 Szechuen Road, Shanghai, China.

Shanghai, China
September 19, 1938.

What People Are Saying

Comments from Readers on Current Topics are cordially invited; their opinions, however, do not necessarily represent the views of the *China Weekly Review*.

About the British Journal

The Editor, *China Weekly Review*:

The writer who signed himself, "English But Not Proud Of It," in the correspondence column of the **North China Daily News**, reflected the weight of opinion among the level-headed British residents of Shanghai, and was just in his remark that this newspaper has for years acted as apologist for official authority in England and Shanghai. I might go the writer one better. It appears to me that the **North China Daily News** kow-tows to any clique which for the moment is in authority—and that includes the local situation, too. Furthermore, it would be logic for them to attend to their own business of publishing a none too-brilliantly edited journal and not attempt to tell others how they should run their business. Under the editorship of the liberal Haward, the N.C.D.N. tried, with some success, to get away from the appellation "official," but unfortunately Mr. Haward was forced out and returned to England. Nor the paper. Unfortunately, has gone back to the old system where dullness stands for brilliance and sycophancy is the prevailing order.

NOT PROUD, EITHER.

Shanghai, Sept. 28, 1938.

Vox Pop's Confederate

The Editor, *China Weekly Review:*

Your correspondent VOX POP said a mouthful in his proposal to give Formosa to the Philippines in order to stop Japanese invasion extending southward, and as a gift (?) to her for her help (?) to win the war. Well, well! Does he really mean the United States will go to war with Japan? If so, this is the most opportune time to step in because Japan is now having her both hands full inside of the Chinese jar and she will surely capitulate if some one strikes at her with a death blow. It would mean maximum gain with minimum effort though I doubt whether the United States will be able to get hold of the four battleships? The Japanese will most probably repeat the story of Scappaflow if these ships are not sunk in a naval engagement! They will be scuttled in waters just a little too deep for Americans to raise but shallow enough for themselves to salvage them. The best thing to do then is put tons of TNT inside of the hulls and blow them to pieces. America has had troubles enough in recent years with the Philippines and I am sure she would not create more confusion by putting another flea into her hair. Furthermore, it would mean the violation of very principles set down by the fathers of the great republic. America will therefore do well to restore the island to its rightful owner. To nab a criminal when he has nearly spent all his strength does not seem fair to the sufferer in view of the great damages already done but, as everybody would agree, it is never too late to perform a good deed. Though the spoils of war will be some help for America to regain her lost prestige and shipping trade on the Pacific but there are still greater strides ahead of the two sister democracies in the way of rebuilding and development of resources. Fortunately there are comparatively a few people in America, isolationists as they shamefully style themselves, who are so shortsighted as to see nothing outside of the U. S. boundary and so sophisticated and egoistic that they do not want to hear about the principles of human brotherhood and collective security. Isolationism is an epidemic, therefore, that threatens the ruin of humankind. Mr. VOX POP had certainly raised the Shanghai Times and Mr. Woodhead, to the limelight and lifted them to high esteem when he mentioned the closing down of the former and the expulsion of the latter.

C. N. S.

Shanghai, Sept. 24, 1938.

Concerning Fascism

The Editor, *China Weekly Review*:

I have the honor of including copies of the letters which have appeared in the Correspondence Column of the **North China Daily News.** Will you kindly publish them in your **Review** and, if time permits, have them broadcast? It is of importance for the public to know just what those Dictators really are—nothing short of trouble-makers. Why should Mussolini protect other minorities, when people living in a paradise like Rhodes Island and the other Dodecanese Islands feel as if they were living in a hell? Because they are governed by Mussolini. Why doesn't Mussolini liberate his own minorities before protecting the others? It is not of interest to him to do so, but it is of interest to create trouble in Central Europe; to destroy Czechoslovakia and, in the near future, to have within his new conquered territory, some more minorities to oppress for the glory of Fascism. That is what Athletes like Mussolini and Hitler want and are going to do if no-one stops them. In the guise of Apostles of Liberty and Justice those two men are plotting. What? Something which is beyond our imagination, something sinister because they must always have a victim to oppress. Today Czechoslovakia, tomorrow Ukrania, after that France. Yes, France. The Cathedral of Strasbourg means something to Hitler. The Cavoy with the beautiful Nice and Houlon means something to Benito Mussolini. What about Corsica and Tunis? There will never be an end to their claims because those men, drunk with power, must always strike at some-one to satisfy their petty leaders. What will be the end? There will be no end. The only salvation is in the hands of God. Only God can stop this state of affairs by rending the leaders of other Democratic Powers their enemies beyond the Alps and the Channel—more wise.

DISGUSTED.

Shanghai, Sept. 26, 1938

Space will not permit reprinting of letters which have appeared in other publications.

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

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Contents

Editorial Paragraphs

Suggested Neutral Status for Shanghai Settlements 135
Slump in Yen and Predicament of Japanese Community 135
Dollar Line Insignia to Disappear in Reorganization Plan 137
Japanese Foster Russian Fascist Paper in Hongkew Section 138
Hitler Rewrites Bible to Fit Nazi Theories and Perpetuate Hatred for Jews 138
Efforts to Create "United" Regime in Peiping Halted by Delay in Capturing Hankow...H.C.H. 139

Special Articles

The Troubles in Europe 142
China's Air Force Goes Into Action Again 144
The Salmon Battle of U.S. and Japan ... By Fred Pasley 145
China's Aborigines Ready for War ... By C. Y. W. Meng 148
Aid Asked for Shanghai's Homeless Children 150
Inflation of Currency Problems in Japan 151
Writer Says Leaders Betray White Russians in Orient 152
Growing Exports is Aid to Hankow's Currency Position 154
Sirovy's Exploits in Russia Recalled by Local Czechs 158

Departments

What People Are Saying 133
Outstanding Events in the Sino-Japanese War 156
Who's Who in China 159
Men and Events 160
New Books of Interest in the Far East 162

CONTENTS OF PREVIOUS ISSUES OF THE CHINA WEEKLY REVIEW MAY BE FOUND IN THE "INTERNATIONAL INDEX TO PERIODICALS," COPIES OF WHICH ARE ON FILE IN MOST STANDARD LIBRARIES.

PAINTS AND PAINT WORK

H. B. CAMPBELL

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A Remark on English Policy

The Editor, *China Weekly Review:*

Allow me, through your columns, to offer my congratulations to Shanghai's Americans on their recent cable to Washington. It received prominent notice in the Paris edition of the Herald-Tribune. Now, how foolish it would be to submit to bullying by Oriental fascists when the fascist statesmen at home know that they are in deep water and are most anxious to please the U.S. And here the people of the U.S. are willing to let Japan treat America as if it were a contemptible little power. For that matter England, too. How anxious they are to please the Japanese! England's policy is clear; they are out to protect British interests, and they are willing to negotiate with the Devil himself if they can keep a few taipans going in hell, so long as the dignitaries of the London City can still receive fair dividends. And some day the statesmen who conducted the negotiations with Beelzebub and managed under very trying circumstances to maintain their coal mine interests in some corner of the lower region will go down in English history as one of her greatest statesmen. Don't tell me that I don't read the **London Times** right. I was reading Les Miserables the other night and came across this sentence: "The Englishman will push over whoever is bending and throw himself on top of the one who falls." For that reason, I have told my countrymen that in order to get British help, it is important not to bend and not to fall. This seems a little unkind on the English, but taken objectively, that is the spirit of British diplomacy throughout English history.

L. Y. T.

Paris, Sept. 5, 1938.

A Tip to Military

The Editor, *China Weekly Review:*

Perhaps your readers would be interested in knowing about information received in reliable quarters that the Ataman Semenoff has sent three of his most "trusted" lieutenants to Shanghai to "wait and give instructions" to his followers in case of necessity. I wonder if the Settlement and Concession authorities have received any tips with regards to same. Their movements should be watched. In the interest of peace, I would like to make inquiry through your valuable weekly with regards to the strength of the Settlement forces. In case the European war breaks, could the present British and American forces defend the Settlement? If Italy and Japan take sides with Germany, would the British and American forces disarm the Italian forces which at present are guarding the Western districts? How about the notorious White Russian Regiment which is known for its staunch sympathy with the Japanese —would they surrender and be disarmed?

OUNG S. CHANG.

Shanghai, Sept. 26, 1938.

⁂

Reader Chang is referred to an article in this week's issue, entitled "Writer says Leaders Betray White Russians in Orient."

Applauds Radio Appeal

The Commentator, *China Weekly Review:*

I realize what has been said is the merest wedge into the problem of doing something of permanence for the hordes of Shanghai's neglected street children. A beginning was made when you began to think about it, and it grew when you brought it to the attention of the public on the air. Because the Shanghai people have become familiar with every form of destitution through these hectic months, and more or less hardened, the task ahead is a tremendous one. It has not yet sufficiently gripped the thinking of those who will take hold and push it to some kind of success, to hope for an immediate organization. But when they do know the situation better, they will help in planning and prosecuting. I suggest that you continue your broadcast appeals: that at a strategic time the condition be given publicity in both the leading Chinese and English dailies, followed up with notes of what may be being done from time to time. The situation must be impressed upon the people who care. This can't be done tomorrow, but it will come, and many will thank you for bringing it to their attention.

N. B. McDANIEL.

Shanghai, Sept. 27, 1938.

About U. S. Mission

The Editor, *China Weekly Review:*

We read with great surprise in the article "Talented Chinese Women to Perform in America," appearing in the **Review** (Aug. 27) which stated that members of the Shiao Chao Institute of Classic Music are participating in the tour. The committee of the institute has not authorized active participation in the above mentioned performances. Since we do not wish the general public to be misinformed, we request you to give this letter space in your magazine.

Li DING-SOONG,
Shiao Chao Chinese Music Research Institute.

Shanghai, Sept. 10, 1938.

⁂

Editor's note:—The Classical Orchestra of the Chinese Cultural Mission now in America is composed of Mr. Wei Chung-loh, Mr. Ling Ya-yei, Mr. Wang Chen-toh and Mr. Hsu Si-sung of the Ta-Tung National Musical Research Institute and Mr. Sung Yue-tuh of the Shiao Chao Chinese Music Research Institute. Neither school of music has authorized participation of their members in the tour. The Classical Orchestra of the Chinese Cultural Mission is made up of five outstanding musicians, of the city, patriotic young men, who welcomed this opportunity to go to America on a good-will mission and to do their part toward raising funds for China's refugees.

Correction

The Editor, *China Weekly Review:*

It has been brought to my attention that I made an error in my recent article in your magazine entitled, "Guerillas at Shanghai's Backdoor." According to my informant, Yeh T'ing, now commanding the "New Fourth Army" in the lower Yangtsze area, did not retire in Hongkong after the failure of the Canton Commune in 1927, but went abroad and continued his revolutionary career, and is still a Communist in good standing. I am also told that he is not married to a "wealthy Hongkong woman" as stated in the article.

NYM WALES.

Hongkong, Sept. 15, 1938.

No Information

The Editor, *China Weekly Review:*

I was extremely interested in reading a report in the **Review** about the establishment of the Anti-Japanese Armed Resistance School by the Chinese guerillas in Nantung. There are many enthusiastic young men and women in Shanghai wishing to join in the activities of the guerillas, but they don't know "how", "where" and "when". Will you kindly give me further information.

T. S. N.

Shanghai, Sept. 27, 1938.

⁂

The Review publishes a magazine, does not operate a guerilla school. Guerilla leaders might note that many a stout heart beats in the breasts of young Shanghailanders.

Food for Kuling

The Editor, *China Weekly Review:*

Kuling thus far is peaceful. There was some anxiety about food supplies, but a brave bunch of young missionaries went down and succeeded in bringing up some wheat. Later, the Chinese military brought up some supplies for us, under instructions, I understand, of the governor of Kiangsi. We have not starved yet.

H. W. W.

Kuling, Sept. 12, 1938.

密勒氏評論報

The China Weekly

REVIEW

Formerly Millard's Review

中華郵政特准掛號立券之報紙

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SUGGESTED NEUTRAL STATUS FOR SHANGHAI SETTLEMENTS

A publication in Shanghai which pretends to reflect the views of the Japanese Army and a few nondescript Chinese who cooperate with the Japanese, recently made some statements about the future status of Shanghai which may or may not be important. The statements are of special interest now due to the crisis in Europe and possible developments here.

> Referring to Hongkew, the Japanese journal said, "in view of what happened in 1932-1937, there is no doubt that the Japanese authorities will demand some special rights and privileges to safeguard the greatly enlarged Japanese population of Hongkew, which is now estimated at over 50,000 . . . . it strikes us as only fair for Japan to exercise special control over Hongkew, especially insofar as policing and defense are concerned . . . . the question of Yangtszepoo and the water-front presents a more complicated theme, but as this area lies contiguous with Hongkew there is no reason why its future should be treated separately."

The above paragraph was published last August. As may be expected, Japan's ideas have advanced with the march of time, so we find the following in the Sept. 15 issue of the Japanese journal:

> " . . . . it is expected that as soon as war breaks out Japan will, in all probability take over all foreign areas which are now being administered by the British, in the case of the International Settlement in Shanghai and their concessions in Tientsin and Shameen (Canton); and by the French authorities in the case of the French Concessions in Shanghai, Tientsin, Hankow and Shameen (Canton)."

Continuing, the Japanese writer admitted that there were rumors that the International Settlement might be turned over to the United States to prevent Japanese seizure, while the French Concession would be turned over to Belgium for the same purpose. In this connection it was declared that even though the Powers interested in the Settlement and Concession contemplated any such transfer, "it is more than doubtful whether such transfer would be recognized by either Japan or China." Concluding, the editorial recommended that China "with the help of Japan" should take advantage of the "forthcoming opportunity to revise the unequal treaties, including the abolition of exterritoriality."

That these expressions from local Japanese militarists are significant is obvious. There also is significance in recent statements from Tokyo that the Japanese "would not interfere" with the foreign-administered areas in China in the event of war in Europe.

It is obvious that, aside from the Japanese, the most potent influence likely to be exerted on this question would be that of the United States, hence efforts should be made to have the views of local interests, particularly Americans presented to the proper authorities in Washington.

But in any move, pertaining to the neutralization of Shanghai from the standpoint of a possible European conflict, care should be exercised not to link such a proposal with a Japanese scheme originated, following the Sino-Japanese conflict here in 1932, to create a "city-state" here which would constitute a violation of the Nine-Power Treaty adopted at the Washington Conference in 1921-1922.

SLUMP IN YEN AND PREDICAMENT OF JAPANESE COMMUNITY*

THE slump in the value of Japanese Yen in Tokyo from 29-cents to 27 9/16-cents (official rate) on Tuesday of this week was due to more than hysteria over the possibility of war in Europe.

In the first place the Japanese Yen is officially linked to the British Pound, hence one wonders what would happen to Japanese money in the event of an outbreak of war, with Japan on the side of Hitler and Mussolini. A *Domei* report on Sept. 27, referring to the slump in Japanese stocks on the Tokyo exchange, said that Yen "would continue to be linked to the English Pound unless international settlements in Pounds should become impossible or the Dollar-Pound rate should be subject to constant fluctuations."

Since the Japanese made their deal with the British covering the stabilization of the Yen, the official rate of 3 Yen to 1 American Dollar has been maintained in Japan—until recently—but travelers returning from Japan state that it is now possible to visit an institution in most Japanese cities which is popularly known as the "black bourse," where it is possible to obtain from 4 to 4½ Yen for an American Dollar.

But it is in Shanghai that the most serious situation or "leak" in the official Japanese Yen rate prevails. Here it is possible to obtain approximately 6 Yen for 1 American Dollar, and according to report the local leak in the Yen rate has been extended to Hongkong; hence the Japanese Government is up against the impossible situation of trying to maintain an official rate which the public does not recognize and evades when opportunity is provided. The recent drop in the exchange rate from 29-cents to 27 11/16 probably is the beginning of a general crash in the Yen despite the Government's attempt to maintain the official rate.

Japan's predicament is due entirely to currency inflation, the printing of paper money in the form of "red-ink" bonds to finance her China war. Three years ago Japanese financiers regarded Yen 10,000,000,000 as the danger point for bond issues, but extra-ordinary

*An articles giving further details of domestic finances in Japan appears elsewhere in this issue.

expenditures have necessitated the issuance of bonds now exceeding Yen 17,000,000,000. Most of these bonds have not been absorbed by the public, but are held by the Bank of Japan, Post Office, large insurance companies and the vaults of the monopoly trading and financial families such as the Mitsuis and Mitsubishis. Since the public has been unable to absorb the bonds, the Government has been forced to issue currency to pay its bills.

According to authoritative report, recent shipments of gold from the vaults of the Bank of Japan, amounting to U.S.$352,000,000, to the United States to square up overdue exchange accounts for purchases of cotton, iron, oil and other war equipment, practically reduced Japan's reserves against note issues to nil. Aside from Japan's annual gold production of about U.S.$25,000,000 a year, the country is practically without metallic reserves against a note issue, the extent of which is unknown even by the authorities in Tokyo because of the vast quantities of "special" notes which the Army has issued in order to pay its troops and purchase supplies on the China front.

CHINA FLOODED WITH CHEAP YEN

It is on the China front that the worst situation prevails with respect to the Yen because this country has been flooded with hundreds of millions of irredeemable Yen notes. This explains, in partial measure, the slump of the Yen on the Shanghai market, which, according to report, has recently been extended to the British Colony of Hongkong. According to an article dealing with the slump of the Yen, which was written by John Ahlers and published in *The China Press* on Sept. 23, the transactions in Yen at devaluated rates in Shanghai exercise an evil pressure upon the position of the Yen on the whole and in China in particular. To quote from Mr. Ahlers, "The Japanese have only themselves to blame for the situation, because they have, in effect, repudiated their own currency . . . . as a result the unbacked Yen is at the mercy of supply and demand in over-the-counter transactions . . . . the situation is highly detrimental to Japanese interests because "cheap" Yen bought in Shanghai can be transported—in limited quantities—to Japan where it can be used to purchase Japanese goods and services at prices quoted in accordance with the official rate of 3 Yen for 1 American Dollar." Tourists from China this summer reported that Japanese shopkeepers were astonished when told that Yen could be obtained in Shanghai at the rate of 6 Yen for 1 American Dollar.

Recently the Japanese arrested several foreigners who allegedly were involved in transporting "cheap" yen to Japan, where it was being converted into U. S. Dollars at the official rate. The Japanese have also arrested large numbers of Russians in Harbin and elsewhere in Manchukuo where the Japanese have another and even more serious currency problem, due to depletion of reserves in the Bank of Manchukuo, where a note issue, guaranteed by Japan, is now said to exceed Yen 250,000,000. Also, one should not overlook the currency "jungle" which prevails at Tientsin and Peiping where the Japanese Army-controlled "Federal Reserve" Bank has issued notes amounting, according to report, to $300,000,000. And in addition to this there is the problem of the Japanese Bank of Chosen, which is controlled by the Kwantung Army, which also has issued many tens of millions of paper Yen notes both in Manchuria and in North China. The amount of Bank of Chosen notes in circulation in North China is said to exceed Yen 60,000,000 alone. The Amount outstanding in Manchuria must be far larger, despite an order from the Army authorities that they must be accepted in exchange for Bank of Manchukuo or Federal Reserve notes.

Japan's hysterial efforts to maintain the value of her slumping currency by arresting exchange dealers is reminiscent of the actions of the late Manchurian dictator, Chang Tso-ling, who used to execute a fresh group of Mukden exchange dealers every time his currency slumped because of over-printing of banknotes.

WILL JAPAN REPUDIATE THE CHINA YEN

According to Mr. Ahlers, the authority quoted in the foregoing, the Japanese may follow a course here similar to their action during the Russo-Japanese War (1904-1905) when the Japanese Army flooded Manchuria with "all sorts of military notes and 'special issues' effected by Japanese banks under military pressure. These notes were accepted as Yen, but after the Portsmouth Peace Conference the Japanese refused to accept the 'special yen' as genuine Yen. The special yen then slumped rapidly and only years later, when they had become practically valueless, the Government bought them up, thus earning the difference of the devaluation." Mr. Ahlers inquired:

"May be the Japanese fighting forces, from the very beginning, planned to repeat their financial maneuvers of 1904-1905 in Central China. In that case the Japanese will have circulated here as genuine Yen, hundreds of millions of dollars worth of worthless currency, which they knew they would repudiate or devalue. . . . . if that is true the Yen in doomed in Shanghai."

Mr. Ahlers then suggested that the Japanese may intend to live up to their financial responsibility by redeeming the "cheap" Yen which they have issued in China, but this is obviously impossible due to the depletion of metallic reserves in Japan.

Another suggestion has been made that the Japanese may dump vast quantities of Japanese merchandise in Shanghai in order to obsorb the "cheap" yen, but this would not help the Japanese Government or the industrialists either, because Japan's great need is for gold-exchange. Such an action, according to Mr. Ahlers, "would only amount to taking their own I. O. U's." Recently the Japanese have restricted their sales of merchandise to "yen-bloc" countries for this reason.

The fact that the American and French Governments have issued warnings to their merchants not to sell to Japan except for cash, indicates the apprehension which prevails abroad regarding Japan's finances. But the situation in London with respect to Japanese currency is peculiar. A recent report that the Japanese probably would default on their external debts, brought a strong editorial defense of Japanese finances by the *London Times* and *Daily Telegraph*. But the *Financial News*, after analyzing Japan's gold reserve position declared that "inflation had already gone a fair way, and if, as seems probable, the process becomes 'malignant,' prices will rise sharply (already in progress) and the remaining gold stock might easily be exhausted."

PREDICAMENT OF LOCAL JAPANESE

The precarious situation of the Yen has a direct bearing on the local Japanese population, which, according to *Domei* and the local Japanese newspapers, has reached a status of 50,000, an increase from less than 25,000 at the beginning of the hostilities 11 months ago. The Japanese populations in other Chinese cities has also greatly increased, for example the Japanese community in Nanking has increased from 431 to 1,600. The population in Soochow, where only a few Japanese resided previously, now exceeds 500. The Japanese-occupied zones in China, in cities and towns where Japanese garrisons are stationed, are literally over-run with Japanese civilians of both sexes who have come to China to "make their fortunes."

That they have not succeeded, was indicated in a *Domei* report from Tokyo on Sept. 23 which stated that the Japanese Government had allocated Yen 20,000,000

as the first installment of a large fund issued for the "rehabilitation" of Japanese residents in China. Of this initial appropriation Yen 10,000,000 went to Tsingtao; Yen 4,500,000 to Shanghai; Yen 2,500,000 to Tsinan; Yen 30,000 to Chefoo; and Yen 2,970,000 to other cities, including Soochow and Nanking.

According to an earlier report by *Domei* the financial advance to the Japanese communities was authorized by the last session of the Diet, but the appropriations were in the form of loans from the Yokohama Specie Bank, Bank of Chosen, Bank of Taiwan and Oriental Development Corporation. The loans were for 10 years and bear interest at 3½ percent for the first five years and 4 percent thereafter. But nothing was said in the report that a previous advance of Yen 5,000,000 made to the Japanese community in Shanghai, following the 1931 war, is still largely unpaid. The local Japanese residents organization is hopelessly in debt to the local Japanese banks for advances made to enable the local Japanese merchants and individuals to survive Chinese boycotts and economic depressions.

Also, should not be overlooked, some thousands of Formosan farmers who were brought to Shanghai for the purpose of raising vegetables and rice for the Japanese army and local Japanese community. The Formosans were settled on land in the Minghong district which was expropriated from Chinese farmers who were either killed or driven away. A recent report in the local Chinese papers said that large numbers of Chinese farmers who had been dispossessed and forced to live in Shanghai refugee camps, had recently been compelled to accept jobs as hired laborers or tenants of Formosans who, with the help of the Japanese military, had seized Chinese lands. A further report in the Chinese *Wen Hui Pao* stated that large groups of Formosans continued to arrive at Shanghai and were being sent to stations along the Shanghai-Nanking Railway where Japanese troops were quartered. The Japanese Army has also brought to Shanghai large numbers of Formosan cattle which were being used in place of the familiar Chinese carabao, most of which had been slaughtered by the Japanese Army.

The rapid influx of Japanese, a considerable portion of whom are unemployed, or are supported from Army funds dispensed by the "Special Service Section" (secret police), of the Army, plus the Japanese military occupation of the Hongkew and Yangtszepoo districts of the International Settlement, have constituted a source of aprehension on the part of the American and European members of the community. This apprehension was greatly heightened by open attempts at Tientsin to either overrun the French and British Concessions, or frighten the administrators of the Concessions into compliance with Japanese demands, one of which was for the surrender of some $50,000,000 in silver which is held by Chinese and foreign banks in the Tientsin French Concession. The Japanese also hoped in this manner to force the American and European, as well as the Chinese banks, to accept the depreciated "Federal Reserve" banknotes which the Japanese controlled bank has issued in an attempt to supplant Chinese currency.

According to a *Domei* report on Sept. 21, the Japanese residents of Hongkew held a meeting for the purpose of "promoting economy and reducing waste." One of the chief subjects discussed was "practical" measures to prevent the depreciation of the Yen and to prevent the "flight" of Yen "across Soochow Creek through payments to Chinese and foreign firms." This was an indication that members of the Japanese community, chief holders of Yen, are beginning to feel the effect of depreciation of their currency. A later meeting of the Japanese community on Sept. 24 defeated by 17 votes to 11, a motion of non-confidence in Masusaburo Amano, president of the Japanese Residents' Corporation. Chief subjects discussed concerned the finances of the community.

A report on Sept. 25 stated that Japanese residents of Shanghai would shortly be given instructions in "mass-gymnastics" in the Nazi and Fascist fashion, another name for military training. The program includes "mass-hikes" into the countryside.

POLITICAL MOTIVES INVOLVED

The recent reorganization and enlargement of the "Special Service Section" of the Japanese military establishment here, combined with the artificially-enlarged Japanese community here, has created the impression that the Japanese are planning another move with the object of obtaining control of the International Settlement. Although no reference to the subject has appeared in the Japanese newspapers, it is generally known that the recent meetings of the Japanese community organization have had as their purpose the reorganization of the community as a political unit to be used in an attempt to obtain control of the Settlement. Blocked in their attempt to seize the Settlement by force, the Japanese are now thought to be planning other means of accomplishing their objective, possibly through a packing of the rate-payers meeting, which is slated for next April.

The presence of large numbers of lawless elements in the Japanese controlled-areas as evidenced in the activities of the Special Service Section of the Army and Navy, plus the presence here of large numbers of destitute Japanese who are unable to earn their living by legitimate means, plus the rapid depreciation of the Yen, have combined to create a situation which is highly unsatisfactory—or dangerous—to use a more expressive term.

DOLLAR LINE INSIGNIA TO DISAPPEAR IN REORGANIZATION PLAN

THE familiar "Dollar-Sign" ($) emblem known in all ports of the world, but particularly around the Pacific, the trade-mark of the Dollar Steamship Company for a period of practically forty years, is to shortly disappear from the high seas as a result of reorganization of the Company by the U. S. Maritime Commission.

This news will produce feelings akin to sadness in hearts far removed from American shores, where the white dollar signs on red-banded stacks, for many years stood for service and efficiency in ocean shipping. While there was some complaint in recent years, following the demise of Capt. Robert Dollar, founder of the Company, this did not prevail in earlier days when Dollar ships arrived and departep on schedule and passengers as well as shippers of merchandise could depend on published time-tables, whether trans-Pacific, round-the-world, or cargo ship.

According to a review of the Dollar Company's reorganization, published in *Time Magazine* on August 29, the first keel of the Dollar fleet was laid 40 years ago by Capt. Dollar who needed ships for his growing lumber business in the then newly opened U. S. Pacific Northwest. In 1928 the company received an ocean mail subsidy amounting to U. S. $3,000,000 for the operation of President liners purchased on time payments from the Shipping Board. Capt. Dollar died in 1932 and his son R. Stanley succeeded him as head of the company. Needing financial assistance, Stanley obtained help from Herbert and Mortimer Fleishhacker and their Anglo-California National Bank of San Francisco. As a result the Fleishhackers obtained control

of the company's shares.

In 1937 when the U. S. Merchant Marine Act terminated all ocean mail contracts, the Dollar Company again experienced financial complications and as a result was awarded U. S. $1,400,000 as a temporary six-month subsidy. In the meantime negotiations proceeded and only were concluded in the last week of August when the Maritime Commission agreed to make a loan of U. S. $1,500,000 and an additional loan of U. S. $2,500,000 for working capital was made by the Reconstruction Finance Corporation. The Maritime Commission will then grant an operating subsidy of U. S. $3,000,000 a year for a period of five years.

In consideration of these advances, the Maritime Commission will obtain control of all of the Company's Class B. stock, 2,100,000 shares and almost half of the Company's 252,000 shares of Class A stock. After a period of six months, according to the *Time* article, the Maritime Commission will abandon the use of the Dollar name and familiar dollar-sign insignia.

Immediately following the accidental bombing of the President Hoover by Chinese aviators on Aug. 30, 1937, who thought the ship was a Japanese military transport, the Dollar Company, supposedly upon the advice of the U. S. Government, discontinued its calls at Shanghai. Since that time Dollar ships have only called at Hongkong, making it necessary for passengers from Shanghai or other Central and Northern Chinese ports, to travel on other ships to Hongkong or to Japan, in order to board the American liners. Recently it was rumored that the ships would, as a result of the reorganization program, resume callings at Shanghai. There is, however, a serious handicap because the boom or barricade which the Chinese constructed across the Whangpoo, has not been removed, hence it would be impossible for the ships to reach the Dollar Wharf which is located up-stream in the Lung-Hwa district.

A report by *United Press* from San Francisco on Sept. 26 stated that the Maritime Commission had removed the liners President Monroe and President Taft from anchorage for purpose of repairs and modernization. It also was announced that U.S. $100,000,000 would be spent in the construction of new ships.

JAPANESE FOSTER RUSSIAN FASCIST PAPER IN HONGKEW SECTION

A NEW Russian newspaper, apparently designed to serve as the organ of the new Russia Fascist organization which the Japanese recently organized among White Russians in the Hongkew section of Shanghai, has been started at No. 211 Yangtszepoo Road.

According to a report in the *North-China Daily News* on Sept. 27, the paper started as a weekly and will be known as the *Russkyi Golos*, or *Russian Voice*. The first issue said that the paper would serve as "organ of the fight against Communism," and its first leading article promised to "serve the politically active portion of the nationally inclined Russian emigration." The editor of the paper is N. I. Djogalin.

A report in the *Sin Wan Pao* on Aug. 30 said that some 60 White Russians were engaged in political activities for the Japanese in the Hongkew section, the purpose being to organize a "Fascist Committee," here similar to Fascist groups which the Japanese already have organized among Russian emigrees at Tsingtao, Tientsin and in Manchukuo. The head of these organizations is the ex-ataman Semenoff, former leader of the Trans-Baikal Cossacks, who has been in Japanese pay since his flight from Siberia in 1920. Semenoff was described by Gen. Graves, commander of the American expeditionary forces in Siberia as a "Cossack bandit who wanted to fight the Bolsheviks."

Hitler Rewrites Bible to Fit Nazi Theories and Perpetuate Hatred for Jews

(The following article, by the well known Chicago preacher, the Rev. John Evans, appeared in The Chicago Tribune on August 8)

What the Bible is going to look like when altered to fit Nazi theories can now be forecast as first portions of the Germanized New Testament in English are being received in the United States. The rewriting of Christ's Sermon on the Mount to fit the Nazi scheme of things was done by former Reichbishop Ludwig Mueller, and the greatly loved gospel according to St. John was Germanized by Bishop Weidemann of Bremen.

Hitler appointed Bishop Mueller head of the German Evangelical union and chairman of the Protestant supreme council on June 29, 1933. He held that office for more than two years.

A pamphlet with the rewritten Nazi version of New Testament incidents printed in parallel columns with the King James version is being circulated by the Friends of Europe, a society of British intellectuals whose announced purpose is to fight all enemies of freedom and democracy.

Notions of Sin Removed

A foreword to the pamphlet was written by the Rev. Dr. Howard Chandler Robbins of the General Theological seminary, New York, and former dean of the Cathedral of St. John the Divine, New York. Dr. Robbins is highly trusted among America's biblical scholars and interpreters. He is often a welcome visitor in the nation's foremost Protestant pulpits.

From the parts thus far made public it appears that all notions of "sin," except harm to Nazi comradeship, have been removed from the new German Christians' thinking. The word sin does not appear in Weidemann's St. John nor in Mueller's rewritten Sermon on the Mount. Other words and phrases basic to historical Christianity are either missing or twisted into line with Nazi teachings.

"Grace," the word which to churchmen denotes the means of the working of God among men, has been deleted entirely. Everlasting life is changed to true or real life, and Son of God, in the Nazi version, is "The One who is of God." Disciples are supplanted by mere "followers," and heaven being omitted entirely even from the Lord's Prayer is thus, according to Dr. Robbins, to be found in Nazi Germany only.

Nazi Lord's Prayer

Here is the Lord's Prayer as rewritten by Bishop Mueller:

"Our Father in Eternity, holy be Thy truth to us, reign Thou in our hearts. Thy will be done. Give us our daily bread. Forgive us our trespasses as we forgive them that trespass against us. Strengthen us in temptation and free us from the power of the Evil One. Amen."

The Golden Rule has been rewritten in the new Nazi Bible to apply only between Nazis, according to

Dr. Robbins. Instead of reading as Christ gave it in the Sermon on the Mount—"All things therefore whatsoever ye would that men should do unto you, even so do ye also unto them; for this is the law and the prophets,"—Bishop Weidemann's version of the Golden Rule reads:

"And now I tell you the great secret of true national community and real comradeship: a truth which most men carelessly pass over though it might help them so much in everyday life. It is a divine truth which lies deep in your blood and has been handed down to you by your forefathers; a simple truth which yet embraces the whole greatness of God. And this truth is: all things whatever you would that men should do unto you, even so do you also unto them."

Hebrew Prophets Left Out

All reference to Moses and the Hebrew prophets has been deleted from the Nazi Bible. Dr. Robbins, in pointing this out, concludes that the Old Testament has no place in the German Christian Bible. He added that the German Christians, not the Confessional [Evangelical Lutheran] church, in rewriting the Bible, have adopted the view expounded by the Englishman, Houston Stewart Chamberlain, that Galilee at the time of Christ was inhabited by Aryans who were violently anti-Jewish.

This is made clear in the rewritten Chapter IV. of St. John, which tells of Christ going into Galilee by way of Samaria. Bishop Weidemann rewrites it this way:

"...He left the land of the Jews and returned again to his own country of Galilee. But he chose the way through the country of the Samaritans who were despised by the Jews."

The King James version records the journey as follows:

"He left Judea, and departed again into Galilee. And he must needs go through Samaria."

When Christ spoke to the Samaritans, the King James version records his words as follows:

"Ye worship ye know not what; we know what we worship: for salvation is of the Jews."

This did not suit Weidemann, who wrote it this way:

"Ye Samaritans honor God and know him not. The Jews at least know of the God from whom alone salvation comes."

Rewritten by Center Group

Dr. Robbins explained that the rewriting of the Bible was conceived in the minds of former Reichbishop Mueller and his colleagues, who constitute the center group in the German religious situation.

The extreme leftists in German religion, once led by the late Gen. Ludendorff, endeavored to scrap everything Christian and substitute a frank German paganism. At the extreme right are the Confessional [Evangelical Lutheran] Christians who hold to the faith of the Reformation. In the center are the German Christians, led by Bishops Mueller, Weidemann and others. They, Dr. Robbins asserts, are attempting under official Nazi sanction to purge Christianity of features objectionable to the Nazi soul and bring it into conformity with Nazi nationalism compounded of "blood, soil and folk."

"In the Sermon on the Mount, and in the Gospel according to St. John," Dr. Robbins points out, "the most sacred precincts of the Christian religion have been invaded by National Socialist views. The Sermon on the Mount, beginning with the Beatitudes, is the best epitome of Christ's teaching, and the Gospel of St. John affords the deepest insight into the mystery of Christ's person. It is strange that this invasion should occur in Germany, homeland of the reformation by which the Christian Scriptures were restored to a place of supreme authority."

Efforts to Create "United" Regime in Peiping Halted by Delay in Capturing Hankow

H. C. H.

JAPANESE plans to set up a new "united" regime on October 10 amalgamating the Peiping and Nanking puppet governments may be delayed due to the failure of the Japanese army to capture Hankow before Sept. 26, as was confidently expected some two weeks ago. The enthusiasm which was worked up following the formation at Peiping of the "joint commission to prepare for the merger" seems to have cooled considerably in consequence.

Headed by Wang Keh-min, leader of the Peiping regime, the joint commission was created as a result of a conference in Dairen, Manchuria summoned by the "Special Service Section" of the Japanese Army and attended by representatives of Nanking and Peiping who were transported to the Manchurian Port in Army planes. On the occasion of the formation ceremony which was witnessed by more Japanese than Chinese, all of the latter being above 50 years of age, Wang delivered a bitter attack against Gen. Chiang Kai-shek and the Chinese Communists. He characterised Gen. Chiang's alleged toleration of Communism, as "drinking poison to quench thirst." He also made a threat to third Powers that all those which continue to assist Gen. Chiang Kai-shek would be regarded as enemies.

Tokyo newspapers gave great prominence to the establishment of the new Peiping organ. A spokesman of the Foreign Office lauded it as being inspired by the "high ideal of co-operation with Japan with the object of establishing peace in East Asia." He said that the Japanese Government would give it full support and co-operation.

Meanwhile, Maj.-Gen. K. Doihara, Japan's state sleuth and master spy, was again on the move, hatching fresh plans. He was reported to have arrived again at Shanghai from Dairen, where he presided over a recent conference of officials of the Nanking and Peiping regimes. Accompanied by Liu Yung-chien, former vice-Minister of Navy in Peking, Maj.-Gen. Doihara was said to be promoting a new "peace movement" through Liu, who claimed to be the agent of Gen. Wu Pei-fu. Liu attempted to call on Dr. W. W. Yen, former Ambassador to the U.S.S.R., and Tong Shao-yi, veteran Kuomintang leader and statesman in an attempt to persuade them to "join Gen. Wu in issuing a manifesto appealing for peace." But both Dr. Yen and Mr. Tong refused to see him. Gen. Wu Pei-fu was reported to have telegraphed Shanghai organizations, disclaiming Liu as his representative.

Japanese reports claimed that Hwang Ku-chen and Hsu Feng-shan, two of the alleged assailants responsible for the attempt on the life of Wang Keh-min last March, had been arrested by Japanese military police in Peiping. According to alleged confessions, Gen. Chiang Kai-shek in December last year sent two men to North China to assassinate the leaders of the Peiping regime. Their original plan was to assassinate Chi Hsueh-yuan, Peiping's War Minister. But as they could not approach Chi, Wang Keh-min was chosen as the next best victim. It

was also alleged that plots against Peiping officials were worked out in the French Concession in Tientsin.

Serious disputes over the organization of the so-called "China Affairs Bureau" in the Tokyo Cabinet, to direct military, political and economic affairs in Japanese occupied areas in China continued to be rife among high officials of the Government. Under instructions of Foreign Minister Gen. K. Ugaki, R. Bansai recently left Tokyo for Dairen to call on Yosuke Matsuoka, President of the South Manchurian Railway Company, and to explain the Foreign Office's attitude toward the matter to the young officers of the Kwantung Army. By this move, Gen. Ugaki was bidding for the support of the Kwantung Army in his effort to make the proposed "organ" a special department of the Foreign Ministry with himself as Director. But the war minister is opposed and wants to control the bureau himself.

The Ta Ho Hui or Yamato Society (Advisory Committee of the Foreign Ministry on China Affairs) organized by Gen. Ugaki was said to be nothing but headquarters of the Foreign Office working against Gen. Itagaki, War Minister, for control of the China Affairs Bureau. In order to counteract Gen. Ugaki's activities, Gen. Itagaki was reported to have ordered Gen. Kita to strengthen the Japanese Special Service Section, so as to prevent it from being taken over by the Foreign Ministry. Meanwhile, Gen. Itagaki was proposing the appointment of Maj.-Gen. Doihara or Gen. Isogai as the first Japanese Ambassador to the projected "united regime" of Peiping and Nanking and doing his best to prevent the appointment of ex-service men to any diplomatic posts, lest they be utilized by Gen. Ugaki to the determinant of the War Office.

A further report from Tokyo stated that officials of the Foreign Office took a strong stand concerning the projected China affairs Bureau, opposing the proposal to establish a large organ transcending the Foreign Office in authority. The opposition was based on the ground that the chief sphere of Japan's international relations is China and if China diplomacy is to be shifted to a large organ independent of the Foreign Office, enforcement of a uniform diplomatic policy would be difficult. For this reason, the Foreign Office favored the establishment of a liaison organ under its control, the duty of which would be to facilitate the enforcement of China policy.

It will be remembered that the so-called Manchurian Affairs Bureau in the Cabinet, which was created shortly after the formation of the puppet state of Manchukuo, is directly under the control of the Premier, and in consequence is dominated by the Kwantung branch of the Army. Foreign Office influence has practically been eliminated from Manchurian affairs. The Manchurian Affairs Bureau was generally recognized as the first step toward the creation of a colonial administration in the former Chinese provinces.

Perplexed by the internal controversies and unable to reach a decision regarding the scope and nature of the new China organ, Prince Premier Konoye summoned another conference of his "Inner Cabinet," when a compromise plan was reported to have been suggested, according to which the new organization would be headed by the Premier with Foreign Minister as assistant director.

Admiral S. Kabayashi, Governor-General of Formosa, now visiting in Tokyo, called on War Minister Gen. Itagaki and reported on conditions in Formosa. The presence of Admiral Kobayashi in Tokyo was regarded as significant, as it was held possible that the Japanese Army and Navy chieftans might be planning a fresh invasion of South China.

Mamoru Shigemitsu, Ambassador to Moscow, was formally transferred as Ambassador to Great Britain on Sept. 22. Toshio Shiratori, former Minister to Scandinavia, was promoted on same day as Ambassador to Rome.

Hachiro Arita, former Japanese Ambassador to China and later Foreign Minister, was planning a tour of Japanese occupied areas in China. His projected trip was said to be undertaken for the purpose of bringing about an early amalgamation of the Peiping and Nanking regimes.

Foreign travellers arriving at Hongkong from Japan reported that anti-war feeling was growing in that country. The anti-war movement, it was said, had spread from the schools to economic and press circles. Only recently more than 20,000 Japanese were arrested in Osaka, Kobe and Nagoya on charges of violating regulations governing economic control. The Japanese police lately tightened measures for the suppression of publications containing anti-war sentiments and as a result more than 2,400 magazines, newspapers and other kinds of publications were banned on various pretexts.

CHINA TRIES THE LEAGUE AGAIN

The action of the League of Nations to secure a settlement of the Sino-Japanese conflict under Article 17 of the League Covenant evoked favorable comment from both political and public circles in China. But in view of the extremely tense situation in Europe, they were skeptical about the outcome.

As Japan rejected the invitation of the League to accept the obligations of membership under Article 17 of the Covenant, China is demanding the application of Article 16 involving enforcement of sanctions against Japan. Dr. Wang Chung-hui, Foreign Minister, declared that since Japan had absolutely refused to participate in any peace machinery, the League must adopt the only course open to it by enforcing Article 16, in order to halt Japan's atrocities in China, now in their fourteenth month.

Addressing the League Council, Dr. Wellington Koo, Chinese chief delegate, stressed the obligatory character of the sanctions provided in Article 16 of the Covenant. Supported in his contention by delegates of Spain and Colombia, Dr. Koo criticized Britain's suggested interpretation of the Article to the effect that the article does not entail any compulsory application of sanctions. Representatives of South Africa, Sweden, India, Poland and Norway took a similar stand as the British regarding the application of the Article. The French delegates, however, urged that the League Covenant should not in any way be weakened at the present moment.

Dr. H. H. Kung, President of the Executive Yuan, declared that China expects the League to carry out its duties as defined in its Covenant, as China had always been a faithful supporter. The hour has now come for concrete action, instead of academic phrases or pious hopes, Dr. Kung demanded. "If the League is to prove its value at this critical moment in the world history, this opportunity must never again be dissipated in words without deeds."

The Chinese press welcomed the decision of the League in applying Article 17 of the Covenant. While expressing appreciation of the League's action, the papers generally agreed that a successful outcome must depend mainly on the co-operation of the United States.

Commenting on Japan's rejection of the League invitation, a spokesman of Tokyo Foreign Office declared that joint assistance to China by League members or application of sanctions against Japan was "out of the question." He added that he did not expect that the League would apply sanctions against Japan, as majority of the member-states had taken the view that application of Article 16 was an optional provision. The spokesman threatened that Japan would take proper steps towards those countries which would adopt measures of sanctions against Nippon!

Commenting on present European developments, Eugene Chen, former Foreign Minister, remarked in an article contributed to the *Hongkong Herald* that Anglo-French policy would not save or protect European liberties as represented by the Czech State but at the best would succeed only in "localizing" the Nazi offensive on the Czech sector. Diplomacy, Mr. Chen said, is something more than the negotiation of a business deal; today it is not even, as in the days of Talleyrand, a mixed game of chance and skill. The new Despots conceive and conduct it as a veritable branch of war. The nightmare that is Europe today will not pass, Mr. Chen believed, unless Herr Hitler, under the compulsion of the united might of Britain, France, Soviet Russia and eventually the United States, realises or is forced to realize that to recreate the Holy Roman Empire in the guise of a Greater Reich is like trying to make a dead man live.

To train leaders for guerillas now operating in North China, a new Military Staff Academy has been established somewhere in the mountain fastnesses of Hopei, Shansi and Chahar provinces. Founders of the institution expected to train 1,000 guerilla staff officers within six months. The cadets are mostly drawn from handpicked high school students and university undergraduates. Their ages range from 18 to 25. According to the *Hsin Hwa Jih Pao*, Hankow, the existence of the Academy is known to the Japanese, but they are powerless to do anything about it, though it lies in a territory supposedly under their occupation.

Six officers and soldiers, belonging to 4th and 40th Armies, who were severely wounded in battle, have contributed their pensions to the Government war chest. They are Lts. Chang Chih-

cheng and Liu Chin-yuan, and Privates Kuo Chuan-te, Wang Chun-li. Yin Yu-shan and Li Jui-chang.

More than 600 wounded soldiers, who recovered from their injuries, have returned to their front in eastern Hupeh.

Wu Yu-sheng, a Fukien youth, after contributing his entire savings amounting to $1,600 to the Government, joined the army at the front.

Madame Chiang Kai-shek visited (Sept. 25) villages and townships in the vicinity of Hankow on a lecture tour to explain to the peasants their duties during the present crisis. "Don't be afraid to die for our country . . . . Monetary returns should be the last consideration in social welfare work," was the advice given by Madame Chiang in a speech before a large gathering of delegates of various women's organizations in Hankow.

A Kwangtung Women's Anti-Japanese Association was established at Canton on Sept. 19. At its inaugural ceremony, Madame Sun Yat-sen delivered a stirring address, urging the women of Kwangtung to take active part in the campaign of resistance.

As a token of their support for the campaign of resistance, four Mohammedan organizations at Sian presented a Banner of Honor to Gen. Chiang Kai-shek.

Chinese authorities at Canton and Hankow were aroused by the report that more than 5,000 Chinese residents in Siam had been arrested by the Siamese authorities. As the result of a vigorous protest lodged by the Chinese Government, two thousand were reported to have been released, while the remaining 3,000 allegedly are still detained. No reason was given in the press reports for the action, but supposedly was an attempt on the part of the Siamese to suppress Chinese nationalist activities.

An overseas Chinese engineering corps, consisting of more than 70 engineers, recently arrived at Canton from Siam to join the Chinese Army at the front.

Japanese Emperor Hirohito cabled a message of congratulations to the King of Siam on the occasion of the latter's birthday on Sept. 20.

Sun Fo, President of the Legislative Yuan, returned to Chungking after a brief visit to Kweiyang, capital of Kweichow province. Gen. Chen Ming-shu, former Kwangtung military leader, arrived at Chungking from Kweiyang.

CHINESE EDUCATION SURVIVES

Despite the Japanese deliberate campaign to destroy all the Chinese cultural institutions, Chinese universities are carrying on as usual in the southwestern provinces. More than 20 colleges and universities have moved to Szechuan, Kweichow, and Yunnan provinces from Kiangsu, Chekiang and North China. They include :

Name of University	*President*	*Location*
Central University	Lo Chia-lum	Chungking
Northwest Joint Univ.	Hsu Sun-min, Li Chen and Li Shu-hua	Nancheng
Remarks—Combination of the Peiping Univ., Peiping Normal College, and Peiping Engineering College.		
Southwest Joint Univ.	Chiang Mon-ling, Mei Yi-chi and Chang Po-lin	Kunming
Remarks—Combination of the Peking, Tsing Hua and Nankai Universities.		
Wuhan University	Wang Hsin-kung	Kating, Szechuan
Remarks—Seniors remaining in Wuhan for this semester.		
Tung Chi University	Chiang Tze-lung	Kangchow, Kiangsi
Remarks—Now being moved to Kwangsi.		
Chekiang University	Tsu Ko-tseng	Taiho, Kiangsi
Chiaotung University	Ly, J. Usang	Hsiangtan, Hunan
Remarks—The Tangshan and Peiping Colleges amalgamated. The Shanghai College is remaining in Shanghai.		
Amoy University	Tsar Pang-tung	Changting
University of Nanking	Chen Yu-kwang	Chengtu
Fuh Tan University	Chien Yung-min	Peipa, Szechuan
Great China University	Wang Pei-chun	Kweiyang
Remarks—Part of the university remaining in Shanghai.		
Kwang Hua University	Chang Sou-yung	Chengtu
Remarks—Part of the university remaining in Shanghai.		
Kiangsu Educational Institute		Kaoyang
Ginling College	Wu Yi-fang	Chengtu
Peiping Chaoyang Univ.	Kiang Yung	Shasi, Hupeh
Peiyang Kuo Min Univ.		Changsha, Hunan
Chiaotso Engineering Academy		Tiensui, Kansu
National Medical College		Chungking
National Academy of Arts		Yuenning, Hunan

The following table, which is incomplete, shows in part the comprehensive plan of the Japanese military to destroy Chinese cultural institutions :

A. Universities Destroyed by Japanese.

Location	*Name*	*Losses*
Peiping :	National Peking University	$1,922,317
	National Tsing Hua University	100,000
	Peiping Normal College	1,900,000
	Peiping Railway College of Chiaotung University	1,030,000
Tientsin :	Hopei Women's Normal College	696,000
	Peiyang Engineering College	2,000,000
	Nankai University	3,000,000
Tangshan :	Tangshan Engineering College of Chiaotung University	5,000,000
Paoting :	Hopei Engineering College	$ 730,000
Tsingtao :	Shantung University	3,388,875
Shangha :	Fuh Tan University	1,200,000
	Great China University	1,300,000
	Shanghai College of Law	502,000
	Chen Feng College	100,000
	Tung Teh Medical College	160,000
	Tung Chi University	1,860,000
	Commercial Shipping College	290,000
Soochow :	Soochow University	300,000
Chinking :	Kiangsu Medical College	273,800
Nanking :	Central University	500,000
	National College of Drama	20,000
	University of Nanking	103,737
	College of Land Survey	60,000
	School of Military Supplies	300,000
Changsha :	National Hunan University	200,000

Total losses of the above mentioned colleges and universities amount to $26,937,429. Figures of losses of the National Wuhan University, Central China University, Hangchow Christian College, Chung Shan University of Canton, Linan University, Canton, Shanghai University, Chinan University at Chenju, Kwang Hua University, and a number of others are not yet available.

B.—Middle Schools Destroyed by the Japanese.

Location	*Name*	*Losses*
Paoting :	Hopei Provincial School for Women	$130,000
	Yu Teh School	413,000
Nanking :	Experimental School of the Central Univ.	200,000
	Han Min School	15,000
Nanchang :	Nanchang School	7,000
Canton :	Mei Hwa School	50,000

Numerous other schools are not included in the list.

U.S. Naval Units Leave

Units of the United States Asiatic Fleet, making their annual trek southward from Chefoo, left Shanghai Sept. 27, while several other American warships left Sept. 28. The light cruiser Marblehead headed the list of American warships departing for Manila. The destroyer Peary also sailed. The U.S.S. Black Hawk, tender for all destroyer squadrons of the U.S. Asiatic Fleet, sailed Sept. 28 for Manila while the destroyer Pillsbury will leave Oct. 1.

In the meantime, the U.S.S. Augusta, flagship of the fleet and with Admiral Harry E. Yarnell, commander-in-chief aboard, is now at Tsingtao. The vessel is not expected to arrive in Shanghai until next week.

U.S. Gunboat Said Damaged

Chinese gunfire damaged the stern of an unnamed American gunboat of the Yangtsze patrol at Ichang late in August, the local Japanese press reported Sept. 25 in featured articles assertedly based upon information reaching reliable sources in Shanghai. The firing allegedly followed the capsizing of several junks loaded with ammunition and airplane parts by the wash created by the gunboat. Acting on orders of their superiors, the Chinese soldiers garrisoning the forts were reported having opened fire. The incident led to American representations in Hankow which were followed by Chinese apologies, the reports said.

Franco-Japanese Trouble in Tientsin

Tension existing between French and Japanese residents in Tientsin was heightened Sept. 24 as French authorities closed the Concession gates against angry Japanese who had attended a mass meeting in Yamato Park following an incident on the International Bridge involving Japanese soldiers and French Municipal Police. The dispute occurred when a Japanese military lorry was momentarily delayed to prevent a traffic jam. The occupants of the lorry are alleged to have engaged in a fracas with a Chinese member of the French Police who was assisted by foreign passersby.

Subsequently, Japanese reservists assumed a leading part in an indignation meeting at the park in the Japanese Concession, when the French were hotly denounced. British and French authorities, who had been expecting some incident since the expiration of the warning to Japanese residents to withdraw from their areas, forthwith closed the iron gates at their boundaries and closely examined all persons entering.

Sergeant C. Fiamma, of the French Police at Tientsin, was injured during the clash with Japanese soldiers at the International Bridge Sept. 21. The clash is said to have occurred on the Frenchtown side of the Tientsin International Bridge. The affair started when a Chinese constable held up a Japanese military truck in order to allow a street car the right of way.

The truck driver allegedly jumped from his machine and attacked the constable whereupon Sergeant Fiamma is said to have appeared on the scene. The sergeant is said to have knocked out a Japanese who drew a pistol and was then attacked by six Japanese soldiers. It also was reported that the French Consul General at Tientsin as well as the French Chief of Police were pushed about by the Japanese.

The Troubles in Europe

This has been a week of appeals from Chamberlain to Roosevelt, from British labor to the French press—all laid at the feet of Herr Adolf Hitler in whose hands the fate of Europe was held. Said Chamberlain: "I am determined to work for peace until the last moment, but I must say I find Germany's attitude unreasonable." Said Roosevelt: "The question before the world today, Mr. Chancellor, is not a question of errors of judgment or injustices committed in the past. It is a question of the fate of the world today and tomorrow." Said British Labor: "We appeal to the German people to exercise their power and influence to restrain the German government from again plunging Europe into the horrors of war." The French press said: "France is ready." Despite frantic efforts to maintain Europe's equilibrium, the question of war or peace had not decided up until Sept. 29 when a conference between Hitler, Chamberlain, Daladier and Mussolini was called at Munich.

THE road back to European peace grew more rocky this week as Nazi leader Adolf Hitler rattled his sword over the heads of European powers, demanded the handing over of Sudeten Czechoslovaaia by October 1; as Czechoslovakia mobilized and called upon her citizens to defend the country; as world leaders sought, perhaps vainly, to calm the Fuerhrer who undoubtedly realized that to waver from the self-dedicated program of aggression would meant a personal defeat.

President Edouard Benes

"the father of that lie was named Benes. . . ."

Five figures loomed large in the European scene this week. The were Prime Minister Neville Chamberlain, President Franklin D. Roosevelt, Herr Hitler, French Premier Daladier and Czech President Edouard Benes.

Following Chamberlain's visit to Hitler and when Europe was hopeful for some measure of peace, the German leader startled the world with the disclosure of details on Sept. 26 of the memoradum submitted to the Czech government through Chamberlain. At the same time, the Anglo-French plan, already accepted by the Czechs, was revealed. The Hitler memoradum asked:

1. All Czech armed forces, police and other officials shall be withdrawn from areas as set forth on a map attached to the memorandum. This area is to be handed over to Germany on October 1 in its present condition, militarily and economically.

2. Germany agrees that representatives of the Czech government and Army be attached to the headquarters of the German military forces to deal with the procedure of evacuation.

3. The Czech government shall immediately discharge all Sudeten Germans serving on Czech military and police forces, and to permit them to return home.

4. The Czech government shall liberate all political prisoners of the German race.

5. Germany agrees to permit a plebiscite in certain areas—to be more definitely defined before November 25 at the latest. Alterations in the new frontier arising out of the plebiscite will be settled by a Czech-German or international commission. The plebiscite is to be carried out under the control of an international commission.

6. Germany proposes that an authoritative Czech-German commission be established to settle all further details.

7. During the plebiscite both parties are to withdraw their military forces from the area.

Democracies' Plan

The Anglo-French plan included:

(a) Provides for the transfer, without a plebiscite, of areas with over 50 per cent Sudeten German inhabitants, with a proviso that an adjustment of the frontier, where necessary, by an international body, including a Czech representative, should be negotiated.

(b) Provides for a possible exchange of population on the basis of right of option within some specified time limit.

(c) States that if Czechoslovakia concurs, she is entitled to ask assurances for her future security. A general international guarantee should be substituted for existing treaties. The British government expressed readiness to join in an international guarantee against unprovoked aggression.

(d) Contains a frank acknowledgment of the great sacrifice made by the Czechoslovak government in the cause of peace.

The demands made by Herr Hitler in his memorandum were profixed by a note declaring that the increasing reports of incidents in Sudetenland show that the situation has become intolerable for Sudetens and, consequently, a danger for the peace of Europe. It is, therefore, essential, the note added, that the separation of Sudetenland from Czechoslovakia should be agreed to without further delay. Areas to be ceded, the document declared, are shaded red on the attached map, while those scheduled for plebiscite are shaded green.

As if the world has not been jarred enough by bombastic Hitler oratory, he declared on Sept. 27 that two problems remained unsolved. He said:

"Ten million Germans still live outside the German frontiers in two settlement districts, Germans who wish to return to their home in the Reich. The case of Austria has already been solved and Germany is now faced with the latter of these two problems, which must and will be solved. This is the last territorial demand that I have to make of Europe, but it is a demand which I shall not relinquish until it has been fulfilled . . . . This Czechoslovak state began on a fundemental lie and the father of that lie was named Benes. In Versailles, Benes invented the lie that there existed such a thing as a Czechoslovak nation and those sufficiently informed in matters of geography and ethnology, did not at that time see any necessity for checking the statements made by Benes. Otherwise they must have found out that there was no such thing as a Czechoslovak nation and that the Slovaks did not want to have anything to do with the Czechs."

Detroit News.

Czechoslovakia's Perspective

On the Czechoslovakian side of the fence, matters were viewed differently. The Czechs looked at the situation in this manner:

1. In pressing for the acceptance of the proposals regarding the cession of Sudeten territories, the British and French Governments added, that should the Czechs not accept, France could not keep her word in regard to assistance to an ally, and England could no longer show effective interest in the fate of Czechoslovakia.

2. On September 23 the British and French Ministers in Prague told the Czech Government that the could no longer take the responsibility of advising us (Czechs) to remain passive and that they could not recommend that we should not make preparations of a military nature.

3. At the same time, the British and French Ministers gave the Czech Government to understand that, although they were delivering the new German memorandum, they were not accompanying it with any advice.

4. Immediately afterwards the Czech Government decided on mobilization.

5. The new German proposals were communicated to the Czech Government Sept. 25.

A Czech statement further alleged that, at Godesberg, "as soon as Chamberlain placed the Czech acceptance of the Franco-British proposals before Herr Hitler, entirely different proposals were submitted to him, going much farther than agreed at Berchtesgaden."

"The people of Czechoslovakia remain calm and ready to defend themselves with a strong heart and head held high," a Czech bulletin declared. "Our mobilization," they added, "is to ensure

law and order and is a danger to no one. Eighteen soldiers of German nationality serving in the Czechoslovak army have repulsed an attack on the frontier, thus showing their loyalty to the Government."

Meantime, France began a large-scale mobilization, Great Britain, Poland, Hungary and Yugoslavia gave indications of preparing for war. French troops and guns moved up the to German border, and the country was virtually on a war-time basis. Only one of the nations mentioned as being interested in the troubled situation to remain silent was Soviet Russia.

Peace Moves

Twice this week, London reported that Chamberlain made "new proposals" to Hiterl in effort to stem a European war, although up until Sept. 27 the contents of these proposals had not been made known.

Most dramatic move of the week was the appeal made to Hitler and Benes by President Roosevelt, asking that negotiations be

MAP MAKER'S PROBLEM

"Hello, Czechoslovakia—are you still there?"

Saturday Evening Post.

continued in an effort to secure European peace. Roosevelt's cable began:

"On behalf of the hundred and thirty million people in the United States, and for the sake of humanity everywhere, I most earnestly appeal to you not to break off negotiations, but to look for a peaceful and constructive settlement of the questions at issue." Roosevelt has also sent a message to Chamberlain and to M. Daladier, through Cordell Hull, Secretary of State.

Painting a terrible picture of the consequences of war, President Roosevelt said that no nation could escape them in some measure. He reminded the nations of the Kellogg Pact and said that the traditional policy of the United States has been the furtherance of the settlement of international disputes by peaceful means. There is no problem which cannot be solved by reason rather than by force, the President concluded, and so long as negotiations continue there remains hope that reason will prevail in the world.

Well-informed quarters in Washington interpreted his message as a warning that European leaders might find nations outside Europe drawn up against each other, and also as a warning to Americans that, however isolationist some of them might want to be, they could escape the war's consequences. Colonel Vladimir Hurban, Czechoslovak minister to the United States, said in New York that the President's appeal had come too late. From London, Chamberlain sent a cable to Washington in which he said: "His Majesty's Government hail with gratitude the weighty message that the President of the United States has addressed to them and to certain other governments."

Mussolini Chimes In

In Verona, Mussolini declared that the "Italian people are fully armed spiritually and materially, and are ready for anything." He concluded his speech with an attack on the Versailles Treaty. On the previous day, speaking at Vincenza, the Duce pointed out that a week of waiting and passion for Europe had begun. Hitherto, he said, "Italy has not taken any military measures, but if other Powers continue to recall their reserves and if there is any fleet concentration, nobody among you will be surprised if Italy prepares. It is universally known that mistakes were committed in the Peace treaties of 1919. I have pointed them out since 1921. There is only one thing to do in the presence of a mistake, to put a remedy to it, because, following our ancient wisdom being wrong is a human thing but persevering in error is a devilish one."

Most interesting report of the week was the exclusive story in the Greenwich, Conn. *Time*, dated Berlin, which said that the German Army was taking steps to remove military control in Germany from the hands of Hitler. The report was said to have emanated from high German military sources close to the German General Staff. The disptach stated that the German army definitely would not march into Czechoslovakia provided that the democracies continued to follow a firm policy.

"This means in effect," the report said, "that the German Army is now taking steps to seize back the high command from Herr Hitler and the band of hit heads surrounding him." The report said German Army generals were fully aware that the new Siegfried line was not sufficiently strong to prevent a French invasion of Germany in the event of war.

Tokyo Comments

Commenting on the probable reasons for the sudden aggravation of the Czechoslovakian question, the *Nichi-Nichi* said it was presumable that France, the Soviet Union and Czechoslovakia were taking part in a "foolish play behind the scenes." Other probable reasons, the journal said, were an "insane attitude of Red elements in Czechoslovakia instigated by Moscow, or a stiffening attitude on the part of France apparently because she was astonished at a decline in her dignity. Anyhow we cannot but see wicked maneuvers behind the new scene in Godesberg and we wonder how Anglo-German talks, which are on the verge of virtual collapse, will seek a means to preserve peace," the daily said.

The *Asahi*, another leading newspaper, drew its readers' attention to "maneuvers of pro-Soviet elements in France in 'consonance' with the Soviet Government." Former Premier Herriot, leader of the pro-Soviet clique, proceeded to Geneva the other day and conducted secret talks with the Soviet Foreign Affairs Commissar, L. Litvinoff, while several Cabinet members belonging to his faction were threatening Premier Daladier with resignation," the *Asahi* continued. Such maneuvers will encourage the Premier of Czechoslovakia while simultaneously checking Premier Daladier. In comparison with the Anglo-French talks of Sept. 18, which came to an accord quite easily, the forthcoming one will meet hardships."

Chinese Reaction

The European situation following Chamberlain's shameful surrender, commented the *Hua Mei Chen Pao*, has now reached such a stage that an armed conflict is inevitable. Prior to Chamberlain's first visit to Germany, we had pointed out that Hitler had already put the arrow on the bow and what he had to do was to pull the bow to start a war. Had the British Prime Minister given Hitler a serious warning at that time, the Fuehrer would have laid down the arrow in no time. However, instead of doing so, Chamberlain attempted every possible means to satisfy the desires of the aggressor. What Chamber has done is tantamount to giving morphia to morphia addicts.

Not only Chamberlain, but Daladier, the "tail of Chamberlain, as well, have decided to sacrifice Czechoslovakia. The Anglo-French scheme for the solution of the Sudeten crisis will only hasten the impending world war. People in the Far East, particularly the Chinese, have been following the developments in Europe with keen interest. Some time ago some were worried over the possible outbreak of an European war, but today they breathe more freely believing that an armed conflict will be postponed. Let's tell them the tension still remains in Europe and more serious troubles are in the offing, the journal said.

Japan's Trade Balance Favorable

Japan's foreign trade during August with Manchukuo, Kwantung territory, China and Hongkong showed a favorable balance of Yen 68,179,000, the Ministry of Finance announced Sept. 13. Exports were valued at Yen 101,132,000 and imports totalled Yen 32,953,000, making a combined figure of Yen 134,085,000. Compared with August of last year, these figures show an increase of 95 per cent in exports and of 17 per cent in imports. As regards the total excess of exports over imports from January to August, it was Yen 334,668,000, which is an increase of Yen 111,747,000 over that in the corresponding period of last year.

Rice Supplies Gain in Japan

Japan's well-filled bread baskets make remote any possibility of a famine for a long time to come, according to figures released by the Ministry of Agriculture and Forestry. On Sept. 1 the rice supplies in Japan totalled 84,759,840 bushels. This is an increase of 3,539,540 bushels compared to the stocks on hand on the same date last year.

Evacuation of Chungking Said Ordered by Gen. Chiang

Gen. Chiang Kai-shek on Sept. 25 ordered the evacuation of Chinese civilians from Chungking, Szechuen Province within one month, *Domei* reported this week. The action was taken, the report said, to prepare for fortifying Chungking against Japanese air raids.

China's Air Force Goes Into Action Again

As Chinese troops operating along the Peiping-Hankow Railway began to show increasing strength, Japan's Minister of War Itagaki on Sept. 28 told the Tokyo cabinet that heavy rains were slowing up the Japanese advance across Honan Province towards Sinyang.

THIS week, China's air force, after more than a month of inactivity, went into action, heavily bombing and machine-gunning Japanese troop concentrations to the northwest, west and east of Loshan. Early on the morning of Sept. 27, Hankow's military said a squadron of Chinese bombers, in co-operation with Chinese land forces operating east of the Peiping-Hankow Railway, dumped tons of explosives on Nippon's artillery positions and thousands of the Mikado's soldiers. When the Chinese had finished polishing off this area, the ground below showed more than 200 gaping bomb craters.

When the planes completed the job, they started back only to find below them another job which needed attention. East of Loshan, they sighted a large body of Japanese troops in the vicinity of Chukangpu. Quickly, they spun into a power dive, opened up with machine-guns and fled. Behind were left a great number of casualties.

The Chinese had done what the Japanese did the previous day. On Sept. 26, the Japanese had subjected Tienchiacheng, strategic fort on the north bank of the Yangtsze, to terrific aerial and artillery bombardment as they attempted to charge the fortress from three directons. Japanese columns from Kwang-tsi were pushing southwestwards in the direction of Tienchia-cheng, while a column from Wusueh, moving towards the west, was attacking Chinese positions in the vicinity of Tsuchiashan and Chiuliushan. Chinese military dispatches stated that the Chinese defense works have suffered considerable damage as the result of the severe Japanese aerial bombings.

Another defeat was chalked for Japanese troops this week operating along the Peiping-Hankow line. In the vicinity of Sinyang, Chinese troops reportedly drove back the Japanese to a distance of 10 miles.

The Japanese artillery units stationed at Fenglingtu, on the north bank of the Yellow River, are said to have heavily shelled Tungkwan, strategic point on the south bank of the river, Sept. 23.

The Chinese military authorities claim that their troops have occupied Shihchiachwang, junction of the Peiping-Hankow and Chengtai railways, following the reported mutiny on September 22 of 3,000 so-called "Imperial Allied" troops. It is claimed that the troops massacred 340 Japanese soldiers, and captured 34 Japanese officers, and three heavy field guns, in addition to two field guns of lighter caliber, 400 rifles and 24 machine-guns.

In view of stubborn resistance by the Chinese forces on the outskirts of Tienchiacheng, on the South Yangtsze front, it is reported, the Japanese are now turning their attentions to Fuchikou, opposite Tienchiacheng. The Japanese forces pushing northwestwards along the Juichang-Yanghsin highway are stated to be launching a vigorous assault on the Chinese positions at Fuchikou, while the Chinese are said to be rushing up reinforcements for a counter-attack.

Japanese Attack Chinhai

Four Japanese warships subjected Chinese forts at Chinhai, at the mouth of the Yun River leading to Ningpo to severe bombardment on Sept. 22. During the naval bombardment, which lasted for about 3 hours, six Japanese aircraft also took to the air in an attempt to bomb the Chinese positions. The Chinese did not reply, but are stated to be well prepared to resist whenever landing is attempted by the Japanese.

Shipping circles stated that despite the Japanese attack on Chinhai, shipping service between Shanghai and Ningpo is being continued. The S. S. Tehping which arrived in Kenhua from Ningpo Sept. 21 reported that quiet still continues in eastern Chekiang, but strict search is being conducted by the Chinese authorities on passengers upon landing. Coastal defence in eastern Chekiang is said to be very strong and heavy Chinese forces have been massed there ready to ward off Japanese attacks.

Taking off from Hangchow, provincial capital of Chekiang, a squadron of six heavy Japanese bombers raided the Loshe aerodrome, in the southern outskirts of Ningpo, Sept. 22. After dropping more than 50 bombs, the Japanese raiders departed for Chenhai where they released over 20 bombs. Scores of civilian houses were destroyed at Chinhai.

Eastern Chekiang Highways Destroyed

Highway and railway communications in Eastern Chekiang have been disrupted by the Chinese military authorities in view of the fact that the Japanese are reported to be about to invade those areas. The railway connecting Kinhwa to the Chientang River have been torn up, while all the highways within a radius of 100 li from the coastal ports of Ningpo, Shaoshing, Taichow and other places have also been destroyed. Only river communications are being left intact.

(Continued on page 150)

WHAT KEN "DINNA KEN" IN AFFAIRS ORIENTAL

What appears to be the biggest editorial *faux pas* on Oriental affairs to date by *Ken Magazine* was found in its August 11th issue via three full-page pictures which are reproduced above. Caption under photo at right read "Funny scene to the officer in the background is this execution, carried out in the traditional manner. It is easy to get executed in Japan." Center caption read: "Not so funny is the moment afterward when even the callous young officer feels sudden fear of the system under which he lives." Right caption: "Craft pride is displayed by another wielder of the sword, engaged in preserving the status quo in a nation strained to the breaking point." The reader is referred to an article in the magazine, entitled, "National Hara-Kiri." When the reader reads the article, he finds no connection between the photos and the story, is left puzzled by what the editors mean, unless they are attempting to imply that this is the method by Japan commits national hara-kiri. *Faux pas* is that the pictures were not taken in Japan, but during the rape of Nanking by Japanese troops in which they executed thousands of Chinese in this manner. What the editors of *Ken* probably never realized was that if this issue should find its way into Japan, the gruesome photos might be incentive enough for many a military officer to commit hara-kiri.

The Salmon Battle of U.S. and Japan

By Fred Pasley, in the *New York Daily News* (Aug. 21)

IT'S JAPAN'S next move out in America's Northwest in the boldest muscling-in game she has yet undertaken against American industry. She wants a cut of America's U.S.$50,000,000 a year Alaskan salmon catch—the world's richest run of that species of seafood. She has put her demands in writing along with a polite ultimatum that we have until 1938 to accept—or else. The fish once thought of as just a can on the grocer's shelf has become an international issue.

A situation packed with dynamite exists in the Pacific Northwest, from the Columbia River to Puget Sound and on up to Ketchikan, Wrangell, Juneau, Yakutat, Cordova and distant Nome, where the Seward Peninsula fronts Siberia across the 60-mile-wide Bering Strait. Salmon is Alaska's chief source of income, paying 75 per cent. of the territorial taxes. Labor and capital, submerging all differences, have formed an emergency organization and raised a war chest to combat the threat of Oriental invasion. Not only have Congressmen and Senators been petitioned but appeals have been sent to the White House to save an industry that gives employment to more than 40,000 people.

We can't complete against the Japanese even in our own, let alone world markets. They can pay a duty here of 25 per cent. on pink salmon, for example, and lay it on the counters of New York stores at 72 cents the dozen half-pound tins. The American brand costs 85 cents. The Japanese now control 50 per cent. of the British red salmon trade, once a monopoly of the United States and Canada.

Aside from commercial aspects, the plain implication of Japan's position is a new definition of her sphere of influence in the Pacific, constituting a direct challenge to our sovereignty over waters hitherto considered exclusively within United States jurisdiction. It amounts also to a continuation of the aggressive policy of territorial expansion applied to Manchukuo and China, only this time by sea instead of land.

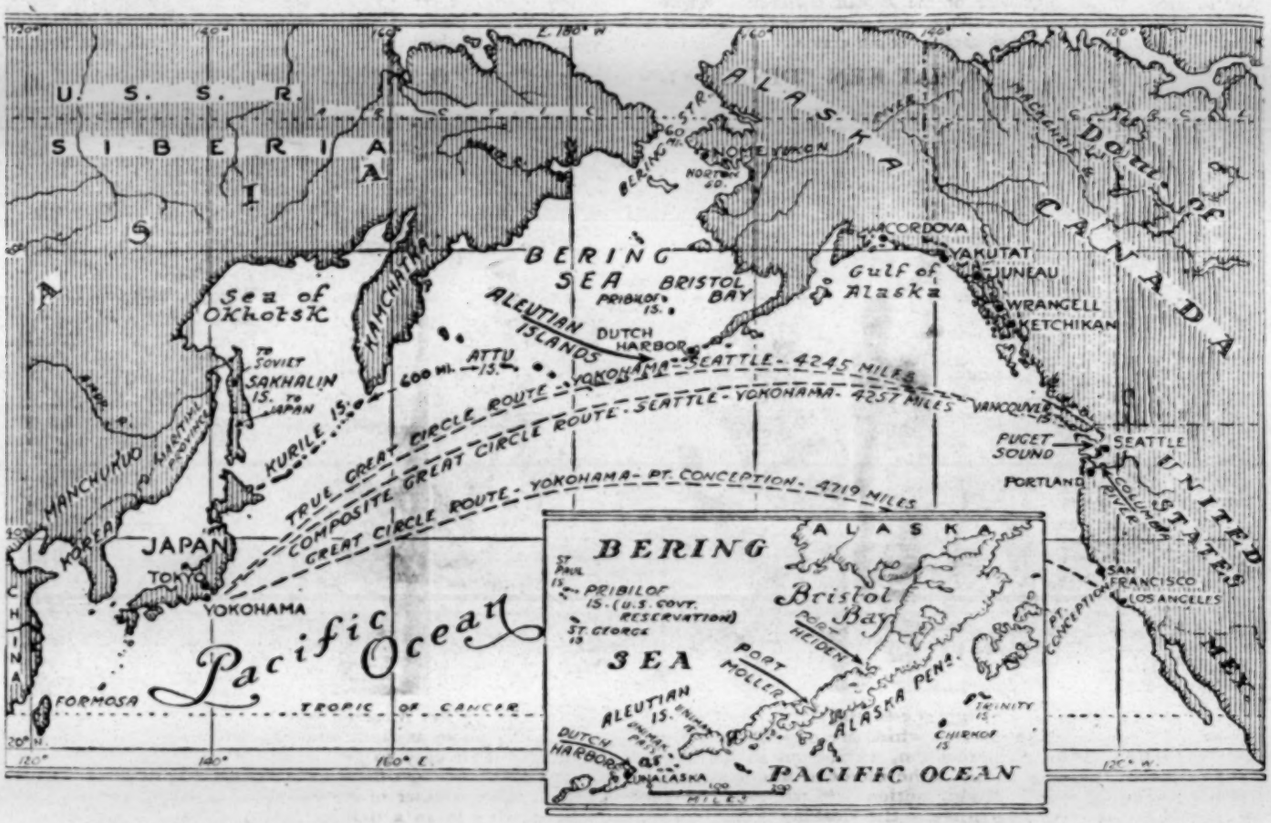
"The Bering sea has become an arm of Tokyo Bay," proclaimed a government inspired pamphlet distributed throughout the empire in the Summer of 1937.

And to a population peculiarly alert to Japanese activities, as is that of the Pacific Coast, the situation has served to revitalize the whole question of national defense, especially as regards such strategic outposts as the Yukon country and the Aleutian Islands.

That little known chain of volcanic mountains, fog bound and storm swept, comprises a giant's causeway stretching from Asia to America. Attu, the farthest point, which lies off Russian Kamchatka, is some 3,000 miles west of Seattle and but 600 miles from the northern tip of the Japanese Archipelgo, or Kurile Islands. It has been said that upon the Aleutians may some day rest our security in the Pacific.

No Defense Program for Aleutians

We have never fortified any of them, having been prohibited by treaty up to 1935. Our nearest approach to a military establishment is a naval radio station at Dutch Harbor, on the island of Unalaska. The Japanese have always strenuously opposed any defense program for the Aleutians, contending it would be a violation of the status quo in the Pacific. However, they have not overlooked the Aleutians' possibilities for their own uses. The writer, granted access to certain confidential files out here, is permitted to quote the following excerpt from the letter of an experienced observer:



Where the salmon war threatens. Large map indicates the strategic importance, to Japan and the United States, of the Aleutian Islands, where "exploratory fishing" by Japanese has evoked American protest, Insert map is a close-up of the Bristol Bay area, where Japanese floating canneries have been operating, in spite of American opposition, until recent months. Aleutians are unfortified, with exception of a Naval radio station at Dutch Harbor.

"I know that for some years so-called Japanese fishery vessels have operated in and around the Aleutians, landing, I understand, on American territory without permission under the guise that they were doing oceanographic and fisheries research, while they were, in reality, making a complete survey of all the Aleutian Islands, and now have far more information about American territory to the westward than we have."

This same observer was likewise convinced that "the Japanese are determined not only to extend their sphere into Siberia and China on land, but also into the North Pacific waters, looking for valuable food fishes to feed a country which is growing faster than its agricultural resources can produce food." The story of the muscling-in campaign against Alaska salmon is a saga of Japanese intrigue, espionage and duplicity. It crashed the nation's headlines last February at a hearing in Washington before the House Committee on Merchant Marine and Fisheries.

A dozen witnesses testified to the presence of a Japanese fishing fleet with a floating cannery off Bristol Bay. Spreading great deep sea drift nets three and a half miles in length along the route of the famous red salmon run (our regulations limit nets to 900 (feet) the Japanese were trapping the bulk of the run before it could reach the inner waters of the American fishing grounds.

This despite official assurances from Tokyo and the Japanese Ambassador at Washington that such salmon fishing by their nationals would be "impossible because the Government has issued

them no licenses." However, these same authorities recalled, the Japanese Diet in 1936 did authorize a three-year investigation program for the Bristol Bay area to determine the practical feasibility of fishing in the extra-territorial waters off Alaska. So if any of their vessels should happen to be sighted in that region they could only be engaged in scientific research. These diplomatic assurances were blasted by a resourceful blue water man named H. B. Friele, vice-president of the Nakat Packing Co., which operates four canneries in Alaska. Chartering an airplane, Friele and a party of five seasoned fishermen on July 7, 1937, flew over the area and located the Japanese fleet on the inshore side of the upper Alaskan Peninsula, twenty-eight miles off the coast in the vicinity of Port Heiden. There were four vessels, the Taiyo Maru, mother ship and floating cannery, and three auxiliaries. The surprise tactics by Americans threw a scare into the Japanese.

"As we flew over the ships," said Friele, "we noticed quite a disturbance on board. The Japanese were running around and they seemed to have lost their heads altogether, and then all of a sudden they just froze stiff, right there, and stood still and gazed at us." Friele's plane swooped down to within 50 feet of the decks while he snapped pictures to back up his report of Japanese duplicity. One of the ship's decks was covered with salmon and after circling over it several times Friele estimated the number of fish at 20,000. Friele's flight made history. He had obtained the first positive evidence that the Japanese were actually taking salmon commercially in the Bristol Bay region.

Japanese "Chiseling"

"Undoubtedly," commented Frank T. Bell, U. S. Commissioner of Fisheries, "the Japanese have been chiseling. They have not lived up to their assurances."

Our State Department, which for months had been reluctant to act, took cognizance of the situation by sending a special agent, Leo D. Sturgeon, to conduct an independent investigation. His report so interested Secretary of State Cordell Hull that the machinery was set in motion for the hearing last February before the House Committee on Merchant Marine and Fisheries. An immediate result of it was a gentlemen's agreement between the United States and Japan whereby the latter pledged herself to abandon further "exploratory" fishing off Alaska. Secretary of State Hull, announcing the pact, issued a statement that:

"The American Government appreciates the assurance which the Japanese Government has given."

That was last March 25. Nearly two months later, on May 15, the SS Star of the Alaskan Steamship Company, reported a Japanese mother ship and four tenders ten miles off Port Moller, on the Bristol Bay side of the Peninsula. Next the U. S. Coast Guard Cutter Alert reported a mother ship with three trawlers and eleven gas boats in approximately the same vinicity. Then on May 20 came a radiophone message from the codfish schooner Charles R. Wilson that:

"The Japanese are operating fishing vessels now thicker than ever, and they have so much gear strung out that it is almost imposisble for me to set my own gear."

Hell started popping May 24 when Capt. John E. Shields of the schooner Sophie Christenson wirelessed his brother, George, of the Pacific Coast Codfishing Company in Seattle: "Bering Sea covered with Japanese boats and nets north of Black Hills. No cutters around. We have God-given instinct to shoot straight. Please ship dozen high power rifles and plenty of ammunition."

The guns were shipped. Simultaneously, William Hecker, secretary of the Alaska Fishermen's Union, declared: "We will not fool around any longer with this Japanese situation. The fishermen are angry and will take action to drive the Japanese out. Our men going north will be ready for action."

Armed conflict seemed imminent. Our Department of State was again on the spot. The wires between Washington and the Coast sizzled with code messages. The outcome was an announcement by Capt. R. W. Dempwolf, commander of the Seattle division of the U. S. Coast Guard, that American rights in the Bristol Bay area would be amply protected. He said the fishing grounds would be patrolled by the big cutter Spencer with an airplane aboard, and five other ships. That action was in response to Capt. Shields' assertion that when the Japanese sighted a Coast Guard vessel they always ran for cover, waiting for it to leave before resuming salmon operations. Shields also said they kept outside the three mile limit, but inside 12 miles, adding: "If 12 miles is good for booze, why not for nets?"

"Gun Talk" Succeeds

Apparently the gun talk of the embattled fishermen succeeded where the polite language of the State Department had failed. The Japanese left. A radio message received July 1 from Capt. J. A. Alger of the U. S. Coast Guard, commanding the Bering Sea patrol, stated that "all alien fishing vessels, as well as the factory ship (floating cannery) which they served, have departed from the Bristol Bay area. No information is available as to their destination."

Leaders of the fight against the Oriental invasion were pleased but not too credulous. Said Miller Freeman of Seattle, chairman of the emergency Joint Committee for the Protection of Pacific Coast Fisheries, composed of representatives of both capital and labor: "It may be that the vessels have shifted elsewhere in the Bering Sea. If so, we will certainly learn of thier whereabouts, as the Coast Guard is now maintaining an active and intensive patrol, reporting full information regarding the presence and activities of alien vessels . . . . The Joint Committee will continue to maintain its unofficial vigilance . . . ."

Other members of the committee were even more skeptical of Japanese sincerity. W. C. Arnold, an attorney, of Ketchikan, Alaska, writing to Freeman, expressed the opinion that "we mustn't be lulled into a false sense of security." He regarded the gentlemen's agreement as "extremely temporary." He summarized the situation thus:

"In appraising the work of the State Department, we must kepe in mind that the Japanese play a deep game and are not easily driven into a corner. The question that confronts us, of course, is as to our future policy. As I see it, the present status is that the Japanese agreed to suspend operations for this year and possibly for future years—decision as to the future years resting solely with them. All this without waiver of the rights of international law. In other words, we are exactly where we started."

One factor that might have influenced the Japanese change of heart Arnold overlooked. In 1936, when they blithely proclaimed Bering Sea an arm of Tokyo Bay, they had not yet embarked upon the adventure that was to lead them deeper and deeper into China—and into debt. They had not yet approached an armed conflict with Soviet Russia. They were boldly operating that year near the mouth of Bristol Bay and east of the historic Pribilof Islands—packing salmon wholesale under the pretense of "exploratory" fishing—using an ocean steamship, the Chichibu Maru, as a floating cannery. So successful were their methods thta by 1937 they were seriously threatening the salmon fisheries of Alaska by intercepting the runs beyond the three-mile limit. The fleet consisted of more than 100 vessels. Our regulations prohibit American fishermen from operating more than three miles from shore.

Japanese Suggest International Combine

Either because of cocksureness or naivete they sent a representative to Seattle in February, 1937, with the proposal that we cut them in on the $50,000,000 industry, or else. The emissary was one T. Takasaki, managing director of the government subsidized Toyo Seikan Kaisha (Toyo Canning Industry Company) of Osaka. His offer, shorn of all punctilious verbiage, was that Japanese and American capital combine to operate off Alaskan shores, the Japanese to supply the ships and the labor.

Supplemental to the proposition he read a prepared statement, enunciating his country's position. Quoting in parts: "In compensation for the scarcity of natural resources in Japan, God has endowed her with an unique gift of excellent fishing talent to take care of her population. Their destiny is, therefore, to develop that art further and further, and to exploit the fisheries products even from the open sea, where the international law gives them absolute freedom and protection for such operation. In other words, they may operate floating fisheries on the open sea and prepare the products on the mother ship.

"This is the only way for them to obtain the chance of more employment by means of which they will take care of their overpopulation . . . . Japan will not give up the policy of hunting the products in the open sea—because this is the outcome of her right of living."

Analyzing the Takasaki offer, Anthony J. Dimond, Alaska's delegate to Congress, said: "The meaning is plain enough. The American operators are requested to turn over their industry to the Japanese. True it is that Mr. Takasaki proposes joint capital investment and joint ownership, but it is evident from his reference to the 'proper mode of conservation'—the shore canneries to conserve first and the canneries away from shore to be the last to observe any conservation—that the American operators were being asked to commit commercial suicide."

Takasaki's offer was angrily rejected. The floating fisheries, or canneries, which he sought to use as a threat at the Seattle conference, are a Japanese invention. They were so efficient in deep sea salmon fishing off the coasts of Kamchatka that the shore canneries, also Japanese owned, suffered a heavily reduced output. They lodged a complaint at Tokyo, whereupon the government had the shore and the floating canneries consolidate into the monopoly, with curtailment of offshore operations—the identical deep sea fishing the Japanese were conducting in Alaskan waters until our own fishermen rebelled.

Japan cites as precedent for her policy toward Bristol Bay salmon the fur seals of the Pribilof Islands. These also return from the open sea to their own home grounds to breed. The rookeries are on United States territory.

Unable to land crews on our soil, Japanese, Russian and Canadian vessels used to hover offshore and kill the seals as they migrated, also kill them when they left their young to swim out for food. They drew no sex line and every female slaughtered meant that a pup, born or unborn, must die. Not more than one seal was recovered out of four killed. The bodies would sink before the boats could reach them. The herds were being exterminated.

Japan, Canada Share Profits on Sealing

Our government contended the seals were American property inasmuch as they bred on American soil. The claim was disallowed when the matter went to international arbitration. Canada, having no rookeries of her own, demanded compensation if offshore sealing were to be abolished by government decree. The outcome was

that in 1911 the United States and Russia agreed to pay both Japan and Canada 15 per cent. of the value of the annual catch. The United States patrols the waters, does the killing and markets the furs. The Pribilof herd has increased from 215,000 in 1921 to nearly 2,000,000 in 1937.

Japan's fishing activities in American waters were alarming not only those engaged in the salmon industry but state officials as well as early as the Summer of 1936. In his biennial report to the Governor that year, M. T. Hoyt, secretary of the Oregon Fish Commission and Master Fish Warden, stated: "We feel that we should be quite remiss in our responsibilities if we failed to mention a new and previously unencountered menace, not only to the fishery of Oregon but to the salmon industry of the Pacific Coast area. The menace to which we refer is the threatened general invasion of the Pacific Coast salmon resource by an alien nation, Japan.

"The Japanese invasion of the North American fishery is already a fact. Their operations, however, have been localized in the Bristol Bay area of Alaska and have been devoted to the exploitation of pelagic fisheries in which we have claimed no exclusive interest. Now, however, it is the evident intention of the Japanese fishing companies to encroach not only on the salmon fisheries of Britsol Bay, but eventually to fish other salmon areas of the Pacific Coast as well . . . . Such a general invasion, if it materializes . . . will menace the very existence of our great fishing industry. . . . the entering wedge no doubt will be driven in the Bristol Bay area through the establishment of floating salmon canneries off the coast of Alaska."

Hoyt's prediction was amply fulfilled. The Japanese themselves are largely to blame for the distrustful attitude of Pacific Coast citizens, particularly toward those engaged in fishing. Japanese vessels, of which there are more than 1,000 operating along the Coast from California to Alaska, do not employ ordinary seamen, but naval reservists.

They not only chart the waters off our shores and the channels leading to our bays, inlets and harbors, between Nome and San Diego; they possess accurate knowledge of our naval bases, our coast defenses, even our gasoline and oil stores. Most of them know more than the average American about such places as the Bremerton Navy Yard, Tongue Point off the Columbia River, and the gun emplacements of Mount Tamalpais and the Presidio.

All of the Coast states have statutes barring aliens from ownership of boats of United States registry. But the Japanese get around these laws in two ways—one, by having their fishing vessels registered in the names of American-born Japanese or by setting up dummy operating companies officered by bona fide Americans.

Drive on Illegal Registry of Boats

Only this Summer in Southern California, U. S. Attorney Benjamin Harrison reported that of 500 boats operating in those waters some 200 were registered in one name. Both the Oregon and Washington State authorities are now prosecuting a drive against illegally registered boats. They are compelling every vessel entering their ports to list not only the owners, but the nationalities of crews and officers. British Columbia has likewise taken action against the Japanese since the Bristol Bay invasion. Thomas D. Pattullo, the Province's Premier, in a radio address warned of "Oriental immigration and its concomitant influence upon our economic life."

He declared that "the interests and the purposes of the Japanese nation have now become clear. And so aggressive and voracious has the nation become that our people are greatly alarmed and view the situation as a grave menace." He then recommended that "if any of them are here without authority they should be rounded up and deported." Pattullo last October visited Hyde Park, spending the greater part of a day in conference with President Roosevelt. What they discussed was not disclosed.

Undoubtedly, it was also the Bristol Bay invasion that caused the national defense program, especially as applied to the Pacific Coast to be moved into high gear.

Acting Secretary of War Louis Johnson announced among other projects recently:

1. Plans for a super-international highway from Alaska to the Panama Canal.
2. Recommendations for a $6,000,000 air base near Tacoma, Wash.
3. Strengthening of anti-aircraft batteries on the Pacific Coast.
4. Survey of naval defense by a committee of five under Rear Admiral Arthur J. Hepburn.
5. Establishment of Army and Navy bases in Alaska.

Johnson will soon fly to Alaska to inspect various army posts and possible air base sites.

Eastern Tokyo Subsides 10 to 15 Centimetres a Year

Tokyo's low lying eastern district is subsiding from 10 to 15 centimeters annually with the result that certain parts of the city already have sunken one meter and half since the big earthquake of 1923, according to Professor Naomi Miyabe of the Imperial University of Tokyo, a member of the seismological institute. Some part of eastern Tokyo is now 85 centimeters below the tea level, Professor Miyabe declared. Eastern Tokyo was flooded during the heavy downpours of last month.

War and Chinese Women's Fashion

Whether the war has given them more important things to look after than their personal looks, or men in China are no longer concerned with feminino charms in these days of conflict, or both, nobody knows; anyway, Chinese girls are spending less time in dressing and beautifying themselves than they did in the pre-war days.

Today from broad city avenues to modest country roads in China's interior are found robust and sun-tanned Chinese women whose chief interests are first-aid training and physical exercises rather than fashions and amusements. They symbolize modern Chinese womanhood at war—simple, loyal, militant and unostentatious.

In the past years, Chinese women spent millions of dollars on imported cosmetics and clothing. Now they are wearing serviceable native-made dresses. Their faces are clean of powder and rouge, their hair usually unwaved but neatly combed, thus saving money for caring for their destitute friends, relatives and follow-countrymen.

If history repeats itself, so do fashions. There was a time when long, down-to-the-toe dresses, with as many curves as the ingenious Chinese tailors could design and their patrons might wish, caught the fancy of Chinese ladies. Now these streamlined gowns are being out-moded by sleeveless, up-to-the-knee dresses which given more ease, comfort and economy in making —a revival of the style shortly after the turn of the century. Likewise Japanese cotton-goods and American silk stockings find little popularity in China's inland where cheap and durable substitutes can be purchased everywhere.

Black satin dresses, hitherto considered out of date by modern Chineses misses, have made a wholesale appearance on the streets this summer. In many places the wearing of white dress, which easily draws the attention of Japanese bombers, is banned. Hence a black satin suit serves the double purposes of being cool and "air-proof." Also, uniforms of different shades and hues, are worn by many Chinese girls who are members of different wartime organizations.

A few years ago, a fad which allowed women to appear in public places without stockings spread like wildfire in China. This fashion was immediately frowned upon by Chinese moderates who termed it as immoral and contrary to good taste and decency of women. Somehow a compromise was worked out whereby Chinese girls might wear socklets if they find stockings too inconvenient and too expensive for use in summer. The latest wartime fashion in socklets dictates a brilliant red hue, which was believed to have originated in the idea that "China marches on along a path of blood shed by her fallen heroes."

Wartime Chinese girls know no fashions. They are following closely their grandmas' virtues of thrift and usefulness to their nation. They are sharing the grave responsibility just as seriously as their menfolks.

N. China Development Company Plans Revealed

Simultaneously with the establishment of the Yen 300,000,000 North China Development Company on Oct. 31, a large number of subsidiary companies will be organized in accordance with extensive plans mapped out by local authorities subject to approval by the Japanese Government, *Domei* has reported from Peiping. According to the plans, coal mines in Tsingching, Tzuchwan, Fangtzu, Tatung and other places will be managed by a combine of six coal industrialists. The number of companies to operate the mines will be limited to six. In 1941 10,000,000, tons of coal will be exported and 20,000,000 tons will be consumed at home, according to present plans.

Two projected telegraph and telephone companies, including the North China and Monkiang Telegraph and Telephone Companies, will be brought under the control of the North China Development Company. As regards the management of the electric power industry, the Monkiang Electric Power Development Company will be established under the control of the development company, in addition to the North China Electric Power Company and the Tientsin Electric Power Company. These new power companies will organize an electric power companies' league which will manage electric power enterprises in the Peiping and Tientsin districts. Output of power is expected to reach 100,000 kilowatts by 1941.

In 1941, it is anticipated, salt amounting to 2,500,000 tons will be produced by salt companies under the management of the North China Development Company, according to the plans.

One company to specialize in coal liquefaction projects will be established in the Peiping-Tientsin district.

"Journalists While You Wait!

Ending a two-month intensive training course, designed to qualify them as newspaper workers, 65 young Chinese will be graduated shortly from a special institute created in Nanking by the Publicity Bureau of the "Reformed Government," the *Shanghai Mainichi* reported recently. The graduates will be further "farmed out" to various existing newspapers in the territory within the "Reformed Government's" control to serve a month's apprenticeship before being given jobs, the Japanese daily said.

China's Aborigines Ready for War

BY C. Y. W. MENG 孟昭泳

IN previous articles, I discussed the rise of 50,000,000 Chinese Mohammedans in the Northwest and the Tibetans and the Sikong natives to fight against the Japanese. Of interest at the moment, too, is the rise of another portion of the Chinese people—the Chinese aborigines or *Miao* in the South West their efforts to organize themselves in order to take part in the war against Japan.

"The Southwest has now become an extremely important part in the rear. It is the place where the rejuvenation of the Chinese Nation begins. It is Angra and Kamchatka of China" where the Chinese armies are set for a 'victorious return to Nanking.' So all man-power and all resources in the Southwest must be mobilized. But let no one underestimate the potentialities of the 20,000,000 *miao* in the southwestern provinces. These people are honest, industrious, courageous and full of fighting spirit, capable of defending the country. These people occupy the most fertile land in the Southwest and many places very rich in mineral

Miss Kao Yu-chu, representative of the aborigines of southwest who is typical of the rise of woman in national affairs. Miss Kao recently was reported to be conferring with government leaders at Hankow on the organization and mobilization of some 20,000,000 aborigines to participate in the struggle against Japan.

resources, but so far remaining untouched. One of the most common proverbs among the *miao* is that 'once the resources in Wanshihping District (southern Szechuen) are exploited, these will be no poor people in that part of the world!' At present, the whole country is united. We, the *miao*, want also, under the director of the Generalissimo, to take part in the war against the foreign invaders, and to make our contributions to our government by mobilizing our man-power and resources to fight for the 'final victory' for our country!"

With these impressive words, Miss Kao Yu-chu the representative of the *miao* in the Southwest, now in Chungking, began to answer my questions on the present conditions of the aborigines in the Southwest, the reported organization, training and mobilization of the aborigines along the frontier districts for war service as well as her present mission to Hankow, etc.

Miss Kuo, somewhere in her middle thirties, is familiar to pressmen in Nanking and Shanghai. A year ago, on behalf of the *miao* in the Southwest, she went to Nanking to present a petition to the National Government. She told me that her last mission was successful, and "the *miao* are very grateful for the generosity of the government". She also revealed that at 4th Plenary Session of the 5th Convention of the Central Executive Committee and the Central Supervisory Committee of the Koumintang, at the instance of Mr. Chang Chi, a veteran member of the Party, and General Ho Chien, the then chairman of the Provincial Government of Hunan, a resolution was adopted to designate certain districts in the country for the concentration of the *miao*, and for the establishment of an administrative organ to look after the welfare of the *miao*; and she expressed her ardent hope that such a resolution would be eventually carried out.

Deplores lack of Contact

She then went on to deplore the lack of contact in the past between the aborigines and the masses in the Republic, but pointed out that the *miao* are now awakened people, and that "we—the *miao* are mobilizing ourselves to take part in the present war against Japan.—

"It is our duty to rise up to defend our nation, but at the same time, it means a right to us" she said. "It is a struggle for the liberation and emancipation of the Chinese people, but at the same time, it is also a struggle for the liberation and emancipation of the *miao*. If we fail to participate in the war, and in the event of our final victory, we will not be entitled to enjoy the many rights as others do, and we will not be treated as equal with other citizens of the Republic who took part in the war."

I asked her how the *miao* should be mobilized.

She explained thusly:

(1) More propaganda organs should be established in the districts inhabitated by the *miao*, and those "awakened" *miao* should be asked to take up these propaganda activities. More war pictures and literatures should be distributed to the inhabitants to show them the actual fighting with the enemy as well as the national crisis which the nation has been facing, so as to arouse their national feeling.

(2) More educational and cultural institutions for the *miao* should established in the frontier districts.

(3) A Committee for the Mobilization of the *miao* in the Southwest should be formed in the mostly densely populated districts so as to take up such works, as the recruiting and training of the *miao*. The *miao* have strong and special instinct of unity, and are reputed for their bravery. Such qualities of the people should be made use of today she said.

(4) A Division of Troops to be known as the "Anti-Japanese Army of the *miao* in the Southwest" should be immediately organized. (She refused to reveal the number pending the authorization by the high military authorities, but from my inference, there must be some several hundred thousand *miao* who are armed in the Southwest). With the exception of some portion of the troops which require further training and for local defence purpose, there are at least 10,000 troops *who could be at once despatched to the front to fight*. These troops are reputed for their bravery and fighting tactics and endurance.

(5) A committee to be solely in charge of the *Miao* affairs, similar to the Committee of the Mongolian-Tibetan Affairs under the Executive Yuan should be organized to work out various plans on the improvement of relations and the administration and organization of the *miao*.

(6) More "awakened" *miao* should be given the chance to to get into government service. "I hope that these frontier districts inhabitated by the *miao* will not be for ever treated as a 'forgotten land," but let their representatives participate in national affairs, and let them be represented in the People's Political Council and the National Assembly, etc., she said.

(7) Exploitation of the mineral resources in these districts should be taken up immediately. If adequate plans can be worked out by the Central Government, it will greatly increase the national wealth. These frontier districts are big enough for the reclamation purposes, sufficient to take care of many thousands of refugees from the war districts, and such places can provide suitable sites for the establishment of large-scale factories and mills.

"The above is only part of what I have in mind," Miss Kao said. "I earnestly hope that the Government will take more vigorous steps to assist the *miao*, to educate them, and to quickly mobilize them for war service. At the same time, I hope that the whole nation will give us their whole-hearted support. The national unification which has just been accomplished gives us a golden opportunity to reach such a goal, and to realize the 'Three-People Principales of Dr. Sun Yat-sen' in giving assistance to the 'small and weak races'."

Significance of Mobilization

"The mobilization of the mass as well as their participation in the present war is significant in many ways", she said. "Internationally, it demonstrates to the whole civilized world that a far more "perfect union", unparalleled not only in the Chinese history but even in the history of any nation in the world, has been accomplished. There are 460,000,000 in the country, but there is only *one heart*—to reconstruct the nation and to resist the

foreign invasion to the last. This signifies that a "New China" has been born! a Bright period has now come to us, and a bright road has been opened to us to win over the invaders. Secondly, such a move (mobilization and participation of the *miao*) while greatly strengthening our confidence, will also enlist more sympathies and assistance from the outside world.

"Internally, such a move while constituting an epoch-making event in the Chinese history will serve many purposes yet to come. It will undoubtedly greatly encourage and stimulate those who are now fighting on the fronts to fight, *harder* than ever before against the enemy. It will greatly discourage the "defeatist" and those who usually look down on the *miao*, such a move will greatly hasten the cultural development of the *miao* transforming them from a backward people into loyal and useful citizens of the Republic. Thirdly, such a move will greatly and immediately open large frontier districts, so far unexploited and uninhabitated by any people other than the *miao*".

This is one of the most interesting interviews I have ever had and it convinced me that the "mass awakening" now taking place in the country, has spread even to the most remote frontier districts. The "awakening" of the 20,000,000 *miao* in the Southwest is indeed very significant in many ways. Miss Kao, their representative, is one of the most strong feminine figures whom I have ever met. My interview impressed upon me that the true rise of the womanhood in China is going to the fore.

Chungking.

China's Labor Disputes in June and July

The following table compiled by the China Branch of the International Labor Office shows the number of labor disputes and strikes in the months of June and July:

May 28-27—Yung Liang Elec. Bulb Co.—20 workers went on strike, protesting against dismissal of one workers. Resumed work unconditionally.

June—Hwa Chen Tobacco Factory—1,000 workers of the factory demanded better treatment when the factory suspended operations on July 11.

July 1-12—Foo Hsin Tobacco Factory—1,600 workers went on strike protesting against the reduction of working hours by two every day Workers demanded eight-hours work for men and six-hours for women workers. Only 2 days rest every month without pay. Agreement of compromise reached on July 16.

June 5—Meiwen Silk Factory—400 went on strike against the dismissal of 14 workers and 4 representatives of the workers. No settlement yet.

July—China General Omnibus Co.—2,000 workers demand more pay.

July—Lungchang paper mill—Several hundred workers demand relief as plant suspended operation.

July—Chung Hwa Book Co.—500 workers demand opening of printing plant in Kwangsi and work for the workers of Shanghai plant.

July—Carpenters—Demand increase of wage by 30%.

July 2—Chungking Telephone Co.—Dispute over transfer of ownership to Ministry of Communication.

February 28—Hung Hsin Knitting Factory—demand re-employment of 3 dismissed workers.

July—Jenfoong Weaving Factory—118 workers demand $20 travelling expenses for each and return of $3,000 savings of the workers, as the factory suspends operations.

July 12—Great Eastern Cable Co.—demand reemployment of one dismissed worker.

June 30—Swatow Railway Company—dismissal of 70 workers, no selttement.

June 5-18—Szechuan Bristle Co.—ask for employment contract but refused. Management employ women and child workers instead of men. contract concluded and dispute settled.

June 25—Shopkeepers of rice shops—protest against dismissal accepted.

June 30—Bean curd shops at Tsaochiatu—800 workers demand $3 raise strike declared, no settlement July 22. Workers protest illtreatment when building Chimei Road. Promised better treatment.

Industrial Condition in Soochow

As a result of much persuasion on the part of the Japanese authorities, a number of the Chinese factories resumed operations under Sino-Japanese cooperation. Except those which were completely destroyed by fire during the time of fighting last year, about 20 silk filatures have resumed operations in the city. Two match factory and one flour mill have also resumed operations.

The following table shows the present industrial condition in Soochow:

Soochow Power Company, Resumed operations long ago.
Tai Ho Flour Mill, Resumed operations long ago.
Soolum Cotton Mill, Repairing machines.
Agricultural Implements Company, Plant completely destroyed and is not expected to resume operations.
Hung Sen Match Factory, Resumed operations.
Yung Chang Match Factory, closed.
Hwa Sen Paper Mill, closed.
Chung Nan Match Factory, Resumed operations.
Ta Hwa Paper Mill, closed.
Soochow Silk Weaving Factory, closed—expect to resume operations.
Sookum Silk Weaving Factory, Resumed operations.
Shuntai silk filature, Resumed operations.
Hwa Fu Silk Filature, Newly established—business good.
Pei Chi Ice Factory, Resumed operations.

Capt. Carlson, Resigns From Navy Adopts Writlng Career

Capt. Evans F. Carlson, Assistant Naval Attache, who has been stationed in Hankow and the Northwest for several months, has resigned his commission and will devote himself to literary pursuits, according to *United Press* report from Hankow. Rumors of a dispute between Capt. Carlson and the Navy Department over a recent interview which Capt. Carlson gave to newspaper correspondents following his return from the "red" territory in the Northwest could not be confirmed in U. S. Naval circles at Shanghai.

Capt. Evans F. Carlson

Capt. Carlson's trip into Shensi and Shansi was one of the most remarkable journeys of a military intelligence officer ever taken. He traveled some 800 miles afoot and 200 on horseback and crossed the Japanese lines several times. He not only visited the visited the headquarters of the 8th Route (former Red Army) at Yenan, Shensi, but passed through the Japanese lines and visited the headquarters of the famous Manchurian commander, Gen. Ma Chan-shan, in northern Shansi.

Capt. Carlson started his military career in the U. S. Army where he advanced to the rank of Major. He then resigned to engage in business, but soon afterward returned to a military career by joining the Marine Corps. He served in the Nicaraguan campaign and later became commander of the Constabulary in that country which he, in company with Col. Charles F. B. Price assisted in reorganizing. He also served as Intelligence Officer with the U. S. Marine Corps here, and spent three years in the Marine Corps at Peiping.

Capt. Carlson recently has done considerable writing on subjects pertaining to China and the Far East, most of his articles appearing in *Naval Institute Proceedings*, and later being issued in pamphlet form.

Artificial Gasoline Produced in Szechuan

With the support of the Ministry of Economics, a factory has been established in Szechuen for the manufacture of artificial gasoline, which is produced from a mixture of alcohol. The daily output of the factory is at present fixed at 3,000 gallons. According to tests conducted under the supervision of experts of the Ministry of Economics, the artificial gasoline produced by the factory is a perfect substitute for ordinary gasoline. While the power generated requires about five per cent more of the artificial gasoline, the price is however much lower than that of natural gasoline.

Chungking-Canton-Hongkong Radio Telephone Communication

Direct radiophone communication between Chungking and Hongkong was formally inaugurated Sept. 25, the Ministry of Communications, reported from Chungking this week. The radiophone service between Chungking and Canton- was inaugurated Sept. 12.

The Chungking-Canton-Hongkong service will be in operation daily from 1 to 3 p.m. and from 8 to 12 p.m. The price for a three-minute call to Canton is $4.50 and for a call to Hongkong $6.50.

Salt Fund for Nanking Department Store

Three thousand bags of salt now in the possession of the Japanese Army's Special Service Section in Nanking will be converted into cash to be used in part as a foundation fund for the construction of a department store by the Nanking city government, *Domei* reports. Four department stores are being planned for Nanking in accordance with the city rebuilding program. The city government's industrial section under Chao Wei-shu will build one of them, while the Nanking Chamber of Commerce will raise funds to open another, the dispatch said.

Aid Asked for Shanghai's Homeless Children

MANY a Shanghai resident in the last few months has commented on the growing problem presented by homeless and parentless young Chinese boys and girls who are roaming the city's streets, huddling in doorways at night—all facing a gloomy situation as winter creeps on. Last Friday, September 23, Shanghai's radio listeners had the problem tossed into their laps by the *China Weekly Review* radio commentator who asked that some organization come forward and take charge of feeding, sheltering and perhaps, offer something in the way of rudimentary education for the waifs, estimated to number between 10,000 and 20,000.

The appeal was mainly addressed to Chinese, but foreigners, already heavy contributors to relief funds, heard themselves asked to meet this new problem.

The remarks on the homeless children problem were chiefly concerned with the character development of the youngsters who were finding no other means to secure food than to steal it—cutting rice bags, snatching food from counters. Fact known to everyone is that these tots are rapidly acquiring the ways, manners and view-

THE VICTIMS OF WAR

Cleveland, Ohio Plaindealer

point of the criminal, and in years to come, the commentator noted, lawlessness will be widespread unless some means were taken at the present time to check it.

In the meantime, the *Ta Mei Pao* noted that from September 25 to October 12, Shanghai residents, the majority of which are Chinese, pledged themselves to contribute a total of 500,000 winter coats to the soldiers now fighting on the front. As it is estimated that each coat costs about one dollar, a sum of $500,000 is expected to be contributed by the people in Shanghai and forwarded to Hankow. The Ningpo Guild contributed today $50,000 for the purchase of winter coats and it is expected that before long more than $500,000 will be contributed.

New Emphasis in Refugee Relief Work in China

The number of destitute war refugees throughout China, according to a report submitted to the People's Political Council by the National Refugee Relief Commission, approximates 15,000,000. Their relief is a gigantic burden. For the past, they have been given food and shelter in camps in principal cities of the country in the rear, but this cannot continue forever if any basic solution to the perplexing refugee problem is to be achieved. They must be put on a self-supporting basis and that can only be achieved by finding them jobs.

That, in brief, constitutes the new emphasis in the work of the National Refugee Relief Commission headed by the Executive Yuan President and concurrently Finance Minister, Dr. H. H. Kung, and the former Chinese Ambassador to Japan, Mr. Hsu Shih-ying, as chairman and vice-chairman respectively. In seeking to put the refugee multitudes on their own feet, the Commission has the co-operation of the Ministry of Education, the Board of Social Welfare of the Central Kuomintang as well as provincial and municipal governments throughout the country.

The report of the Commission shows that of the 15,000,000 refugees, 62 per cent are men and 38 per cent women. Government employees or public functionaries constitute twelve per cent, merchants eleven per cent, farmers eight per cent while more than fifty per cent were students or those who were unemployed. Those whose age ranges from sixteen to forty constitute 56 per cent of the total. These figures indicate that a majority of them can toil and engage in productive enterprises. Many of the schemes for land reclamation and settlement and Promotion of handicrafts and light industries drawn up by the Commission for a fundamental solution of the refugee problem have now been put into practice.

Ten thousand refugees, for instance, have been sent from the Central China cities of Wuhan to Hunan Province. There they are to undergo a special three-month technical training to enable them to engage in light industries and handicrafts for which Hunan is noted. The matter has been entrusted to General Chang Chih-chung, Chairman of the Hunan Provincial Government at whose disposal the Commission has placed a subsidy of $90,000. For the same purpose, the Commission, has allocated an additional $10,000 to the Anhwei Residents' Association in Hunan that is co-operating in the refugee relief work in that province.

Another plan is now afoot to establish cotton weaving and spinning factories west of Chengchow in Honan Province and in other centers in West Hunan for the refugees. To help carry out this project, the Commission has appropriated $20,000. The Kiangsi Provincial Government under the chairmanship of General Hsiung Shih-hui has in its hand a vast land reclamation and settlement plan to be carried out near Chishui and Taiho. The Commission has remitted $73,500 and sent 1,000 war waifs there for trial.

1,000 Die Daily In North Kiangsu

Contagious diseases are causing about 1,000 deaths daily in North Kiangsu districts, including Taihsien, Yangchow, Tungtai, Hsinghwa, Yencheng and Jukao, according to a *Domei* dispatch this week. The death rate is especially high in Yencheng and Hsinghwa districts. Owing to a lack of adequate medical facilities it is impossible to check the spreading of the contagious diseases, according to the dispatch.

One result of the high death rate is a rise in the price of coffins. There is a shortage of timber in those districts and the coffin shops, unable to meet the high demand for coffins, have no alternative but to increase the prices. A coffin made of poor quality wood, which used to cost only a few dollars, now is sold for $100 and more, it is stated. Many families unable to buy the expensive coffins remove the bodies o their deceased relatives to a piece of vacant ground and leave them there, the reports said.

CHINA'S AIR FORCE GOES INTO ACTION AGAIN

(*Continued from page 144*)

Japanese Mobilization

Following the capture of Hankow the full force of the national mobilization act will be invoked to prevent "moral relaxation" of the Japanese nation and to concentrate Japanese resources on the attainment of the objectives of the China campaign, the *Chugai Shogyo*, Tokyo's leading commercial daily, predicted this week. The Government will issue the historic decree after the fall of Hankow, manifesting Japan's intention to keep up military opeaations against the Chiang Kai-shek administration, the journai forecast.

The Chiang Kai-shek administration has degenerated into a "local militarist clique, "the paper said. The government will reaffirm its policy to extend assistance to the new pro-Japanese anti-Comintern regime in China and to build up a new China, the paper further predicted. The journal said building a new China will require more time and energy than military operations, therefore opinion is gaining strength in official circles for invoking the full provisions of the national mobilization law to call upon the nation to "stand more strain and privation" after the occupation of Hankow.

Safety of Britons Feared

Mounting fears that continued Chinese efforts to fortify the outskirts of Hankow would jeopardize the safety of the foreign community there are being expressed in foreign diplomatic and business circles in Chungking, reports reaching here from the Szechuen eity stated. A movement was reported to be afoot in Chungking to seek signatures to petition to be addressed to Mr. Cordell Hull, American Secretary of State, to bring pressure to bear on the Chinese Nationalist Government to dismantle the Hankow defences tending to draw Japanese artillery fire and aerial bombardments towards the areas populated by foreigners. These include the French and the Japanese concessions and the former British, German and Russian concessions.

Inflation of Currency Problems in Japan*

ON the face of it, the question of currency inflation appears to be a very simple problem, and if we can believe our Finance Minister who is also Governor of the Bank of Japan, it is, as he has repeatedly said, "not a problem at all." In a meeting of the banks in Kansai, Yuki, the Governor of the Bank of Japan said, "If, from now on, the money market can be restored to its normal conditions and the Government can pay up some of the accounts in connection with the current situation, no problem will arise with regard to the sale of bonds entrusted to the Bank of Japan, especially those bonds which are issued to raise funds for the China War. Even at the present moment, there is a continual demand for these bonds at the Bank of Japan. Obviously, as the situation develops, the income will be increased. Furthermore, with the enthusiasm of the people behind the war front, the sale of the bonds will be still more facilitated."

Coming to hard facts, however, we find that this is not true. There is no need to refer to the profound monetary theories, for, leaving other factors aside, we already see that the present system of issuing inconvertible notes has given rise to a rapid rise in the price of commodities. The amount of banknotes has been increased considerably, in August 1937, it was valued at Yen 1501 millions; in September, Yen 1515 millions; and in October, Yen 1623 millions. At the end of November, 1937, the total amount of banknotes in circulation was increased to Yen 1877 millions, a figure lower than only those in the time of the financial panics in 1927 and at the end of 1935. The issuance of banknotes beyond the set limit was begun after the revaluation of the price of gold in August 1937. At the end of last year, the total amount of banknotes in circulation, it is generally believed, exceeded Yen 2,300 millions. As far as we can gather, the Governor of the Bank of Japan has also indicated some figure of the same magnitude. What the result of this huge issue would be is not for us to bother about here. But this at least is certain; the figure must be greater than that at the time of the financial panic in 1927 and have broken the record.

If this be so, then it is only reasonable that in January the over-issued banknotes circulating by the end of the previous year should be withdrawn in order to lessen the acuteness of the currency inflation. The usual course for the Bank of Japan to pursue is to sell the government bonds to the people in exchange for the banknotes issued in the previous year. The total value of government bonds given to the other banks in the cities by the Bank of Japan last year, including the "Grain Bonds," was Yen 167 millions, but from this amount, Yen 74 millions have to be deducted, being an outstanding account of 1936. As the amount of banknotes issued by the Bank of Japan has reached a figure between Yen 2,300 and Yen 2,400 millions, it would be of little help to adopt the old method of selling out Government bonds little by little. Besides, whether the amount of bonds left over can be sold away in the coming year is also a problem.

Banks Helpless

The reason is that some change has taken place in the foundation of the monetary system. In the matter of stabilizing the monetary system, both the Bank of Japan and the Kogio Ginko are unable to do anything, in spite of all their struggles. For this reason, the authorities had to issue bonds at an earlier date in last December in order to raise money to clear accounts. It was believed that this move would help to ease the straitened conditions in finance. Altogether, there were two issues of bonds in December; in each case the amount was Yen 300,000,000 and the two made Yen 600,000,000. The financial difficulty of the country has indeed gone beyond our imagination.

Perhaps the above measure was necessitated by the special circumstances at the end of the year when money was urgently needed to disburse accounts. As to the selling out of bonds in large quantities, we think there is little hope of success. There is quite a large amount of bonds which the Government is still unable to clear out of its hands. Of the bonds intended for 1937, there is almost some Yen 2000 millions' worth left unsold. Added to these, there are those to be issued this year. It is generally estimated that the bonds to be issued 1938-39 will amount to Yen 690 millions. The figure is surprisingly small, but we must remember that the emergency war bonds have not been included. As to what will be the total amount of these bonds, only Heaven knows!

The seriousness of the situation due to currency inflation is obvious. Kamekichi Takahashi has been all the time sounding his warning that commodity prices would thus be raised. Even the *Toyo Keizai Shimpo* (Oriental Economic Review—an official organ) which had been consistently refusing to admit the existence of currency inflation since the time of the Manchurian Incident, has of late shown its concern over the danger of the present situation. In the December 4th issue of this journal, there is an article with this significant title, "Can the bonds be easily digested?" in which we find these words:—"Judging from the present actual conditions, to issue bonds to the value of between Yen 3,000 and Yen 4,000 millions a year is indeed a problem which we must not overlook . . . . This is a most difficult problem and the result would be a still tighter control of the use of capital, like the control of foreign exchange at present. It would also lead inevitably to the adoption of such measures which, under the name of forced saving, are in fact only another form of taxation. It is our belief that before the solution of this problem, the result of our efforts to ease the financial crisis will remain a question."

How Much Gold Does Japan Still Possess?

"The Japanese have exhausted all their gold reserve" is the diagnosis formed by Wang Peng-sun in an article written for *Ta Kung Pao*, Hankow, usually recognized as the leading Chinese newspaper. Mr. Wang derived his information from his years of service in the Chinese Embassy in Tokyo. The occasion giving rise to Mr. Wang's observation was the announcement made by the Japanese Finance Minister that Yen 300,000,000 of the Yen 800,000,000 Gold Reserve Fund would be set aside as Revolving Fund to finance the purchase of necessary raw material for manufacture.

According to Mr. Wang, this item of Yen 800,000,000 Gold Reserve Fund is a fictitious sum to be set aside from Japan's export surpluses. In years when exports nearly balance imports, no one is the wiser as to its actual amount. But in years of adverse trade balance as Japan has been undergoing she had to recourse to a special device of establishing the "Gold Fund, Special Account," as a means of saving her from an impossible situation.

The way to manage this account, according to the writer, is to encourage domestic gold production and purchase gold at high price, it being an easy matter to issue bank notes to cover the cost price. When gold secured in this way accumulates to any extent, it will be shipped abroad to cover payments due to trade deficits. This is to say that aside from the Special Account, Japan holds no other gold.

The management of the Special Account has of necessity to be kept a dark secret. According to the *Far Eastern Financial News* of December 11, 1937, the Japanese bankers, after various attempts to fix the exact amount of this account, came to conclusion that about Yen 200,000,000 was left. Mr. Wang, however, does not think that there was even this much gold left, because if this amount is correct, then the Japanese Government would have prohibited the publication of this item of news as betraying a national secret. If it were less than the actual amount, then the magazine would be charged with creating a rumour to discredit the country's financial structure. Therefore, the actual amount of the Special Account must be far less than Yen 200,000,000.

"Even if we do liberally grant that this amount existed at that time," the writer asked, "how much of it is now left?" This may be decided by the gold production between last December and the present time. Last year, which was incidently the peak year, Japan produced gold worth Yen 190,000,000. It has been estimated that during the present year gold production in the Japanese Empire would be increased to Yen 250,000,000, or a little more than Yen 20,000,000 per month. If we allowed that this increased production can be realized, Japan's gold holding at the present moment would be about Yen 340,000,000.

Since May 9, Mr. Wang continued, Japan has made two shipments of gold to America—one worth G$6,000,000, and another worth G$5,800,000. These reduced the gold holding by more than Yen 40,000,000. Now in order to pay for her surplus imports, Japan has to ship abroad some Yen 300,000,000. But that would exhaust all Japan's gold holding. In order not to show this crack in the financial machinery, the Japanese Government had to mobilize the foreign security holdings of the Japanese insurance companies. With these as collatorals, the Japanese Government realized Yen 50,000,000; but in an attempt to deceive the world, it announced that Yen 300,000,000 of the non-existent Yen 800,000,000 Gold Reserve Fund would set aside as a Revolving Fund!

Condensed from the Japan Review, Tokyo, by the Pacific Digest.

Spain Withdraws Non-Spanish Troops

A sensation was caused during the Sept. 22 meeting of the League of Nations when the Republican Spanish representative, Premier Juan Negrin, declared that his government was willing to release all foreign volunteers who have joined the Republican ranks since the beginning of the war. He requested that a League commission be sent to Spain to act as a neutral committee of observers. The League Assembly was to study this proposal from Republican Spain which was made as a formal motion.

This sudden action on part of Barcolona has aroused considerable degree of speculation regarding hidden motives, and political circles in Geneva are of the opinion that it may be in the manner of an overture to gain the assistance of the western powers in a mediation attempt. It was declared that the French delegate, M. Paul Boncour, has approved this action by Republican Spain.

Writer Says Leaders Betray White Russians in Orient

IT would appear from the first that Russian emigrants—the people in voluntary exile, who fled in the memorable days of chaos, wanton destruction and the rout of White fronts—consist in their greater number of the adherents of monarchy, the old Tsarist regime, that met such an infamous end in February, 1917.

What assisted this popular belief were the favorable circumstances abroad. The staunch supporters of the old Russian regime, monarchists and the like had soon occupied various important positions, taking advantage of ideological dissentions in the emigrant mass and its numerous factions.

The rank and file of the "emigre" which consisted of peasants, trades-men, toilers, cossacks and elements of petty bourgeois, followed their White leaders in hope that the fall of Soviets was imminent and the principal roles in the overthrow would be assumed by them. On more than one occasion the dates of "triumphant entry," of "delivering generals" have been named by the eager monarchist press . . . . .

The long years in emigration, hard life and privation, daily struggle for existence have cured the majority from illusions; the emigrant mass became convinced of the falsehood of their leaders. To write and pronounce the same for over 20 years would truly appear stale. The artificially injected hatred to the new regime gave way to new ideas and thoughts. It appeared but nonsensical to forever speculate on the enmity to the Soviet Republic, especially when the speculation had been mixed with lies and slander against the New Russia where life is progressing and the people had overcome the period of chaos and destruction.

The Russians living in the Far East were backward politically speaking. The struggle with the Soviet had been prolonged till October, 1922, when the last White government of "voyevoda" (chieftain) Diterichs-successor of Mercaloff brothers had to flee from Vladivostock with the evacuating Japanese.

On the Far East front, the Russian emigrant mass had been influenced by White leaders and anti-Soviet parties, who had subjected themselves to a foreign protection, that is, left themselves under the guidance of the power that in the period of intervention left nothing but the scorn and condemnation of the populace. The monarchists and various White groups had but one more trump card in their hands and that was the Russian Orthodox Church abroad with headquarters in Jugoslavia. The so called Carlovitz gathering (session) of the church in 1924 still lives in the memories of many, as for the first time Cyril Romanoff was declared to be the Tzar of all the Russia, and the monarchist principle had been pronounced. The now deceased head of the Orthodox church abroad, Metropolitan Antony, required from all emigrants and clergy the recognition of Cyril and it is known that the split occured when Metropolitan Eulogy (Paris) and Platon (USA) deserted their Head, forming independent dioceses.

It is also no secret that in the so-called Russian Orthodox synode (council), there gathered the most reactionary dioceses of the church and more time had always been devoted to politics than to church affairs. An interesting circumstance had occured in July this year and is worth of mention:

A Note to Hitler

The German government had built an Orthodox Cathedral for Russian residents of Berlin and the present head of Orthodox church abroad, Metropolitan Anastasy, had sent a letter to Hitler, which besides the usual extended thanks contained the following:

"We know that the Russian mass back in the homeland knows you (Hitler) daily prays for you and asks God to give you strength and health, for in their eyes you are their deliverer . . . ."

And this letter had been delivered at a time when the Catholic and Protestant clergies are oppressed by Hitler and his clique, when the pagan substance of German fascism is no longer a secret and the Pope, with Archbishop of Canterbury, more than once raised their voices in the defence of persecuted Christianity.

It is known that the Russian Orthodox church in U.S.S.R. today appears in new light, the clergy stands nearer to religious masses with but a few exceptions the Orthodox confraternity is on the side of the Republic, while the church abroad that falls nothing short of a political organization with a vivid monarchist coloring is its avowed political enemy.

A simple fact has to be admitted. Today the greater bulk of White Russians are not what they were eight or ten years ago. The emigrant generation grew up and its greater majority cannot understand the animosity of their fathers to the Russian Revolution of 1917. The eager for knowledge emigrant youth is full of impending desire to know the Russia of today. They read Soviet publications, papers, literature and are amazed with the scientific and technical achievements in their far homeland. The scientifically injected antagonism to democratic institution and the inert conservatism among the greater majority of Russian emigrants is gradually evaporating.

The events in North Manchuria obliged the "emigre" groups to face the New Russia, a good example of which is the Union of Repatriation to U.S.S.R. in Shanghai and other parts of the world. It became apparent that the pitiful adherents of reaction and monarchy, the so called Russian "nationalists" had to use all ways and means to hold the emigrants in subjection.

Zaria is Example

The example of the latter, *Shanghai Zaria*, is known to be closely affiliated with Harbin and Tientsin editions that bear the same name. The dependence upon Manchukuo authorities, constant fear of repressive measures and the picked group of intolerant and hostile members of the editorial staff causes *Zaria* to be outstandingly hostile to Soviet Government.

The Russian colony is apolitical in the mass, but is yet forced to participate in various political ventures. In Shanghai

SLUMP IN ANTI-COMINTERN STOCK

Herblock in the New York Times

where there remains no outlet for the poor and destitude Russians, they are obliged to subscribe to the "National Fund" and be registered in the "Emigrants Committee," otherwise being threatened of deprivation of cheap meals, which have been organized with the help of foreign benevolent societies. In Harbin where the political terror is at its worst the Russian emigrants are under the protectorate of "Hsi Ho Hai" that forces its members to obey and fulfill its orders.

The White emigrant press uses all ways and means in its political activities. Yet it seems clear today, that the Russian emigrant mass swerves clearly to the left. In conversation among the emigrants, the sympathy is expressed toward Republican Spain, China and especially the Soviet Union, which was proved by the last border incident with Japan. Only the intolerant White minority with a wide range of connections in the Foreign communities makes every effort to assure that "all is quiet" and the emigrant mass is obedient as before to various organizations and leaders.

This is devoid of truth. To illustrate clearly the situation, it would be worthy of note to draw attention to two well-known to foreign community Russian organizations, that of the Russian Regiment in the Settlement and the Russian Company in the Concession. The two generals that head both, namely Ivanoff and Adamovitch are, in foreign public opinion, believed to represent the political views of all Russian volunteers. This belief lacks all grounds. The foreign community is also of opinion that the Russian Regiment consists of "White Russian cossacks", which is also untrue.

Cossacks Disappear

When the regiment was first formed, the greater bulk consisted of cossacks, formerly serving in the retreated White armies. However the effective force had long since undergone a change. Many men died, the others left the regiment and the effective force today consists mainly of emigrant youths that failed to secure employment in the "big city," often destitude. The former cossacks today hold only commanding positions and are few in number.

The emigrant youth in the regiment do not share the political views of their "fathers." They are either apolitical in their mass or are anxious to return back to the fatherland. The

despise the Japanese for in them they see the avowed enemies of their country.

However, the former cossacks that today hold the commanding ranks in the regiment use all means to supress the "liberal" thoughts and ideas among their subordinates, banning every expression of a free thought and when a hot-headed youth occasionally expresses his dislike for Japan or his impending desire to return to Russia, he is immediately pronounced as "red." The offence naturally being a serious one, the guilty party is continually charged with various minor offences and is then either discharged or is forced to resign. Such is the atmosphere of political opression that reigns in the so-called Russian Regiment.

Practically the same atmosphere prevails with the Russian Company in the French Concession. General Adamovitch, in command, was appointed to fill the commanding positions with the ex-officers of Tsarist army and cossacks, who, too, have created an atmosphere of political opression.

It is definitely ascertained that *Novosti Dnia* (Russian Daily News) is banned by orders, as a pro-Soviet publication and therefore being highly undesirable. As a direct result of this and various other political opressions and "offences," the volunteers leave the service. Notwithstanding that today in the city there are many unemployed young Russians, the latter refuse to serve as French volunteers. There is naturally a shortage of men and the enlisted men lately bitterly complain of carrying the double duty. It is especially hard for the volunteers who are suspected in "left inclination." They are given more assignment rather than the others.

Must Call Him "Excellency"

It is but strange to see such picture in the Concession, as the Government of France is the sincere and staunch ally of Soviet Republic. It may be only explained by the ignorance of Russian language that the French higher command has no true representation of the state of things that exists in the company. General Adamovitch obliges the volunteers to call himself "excellency" while he is only a captain of the French service. This, too is contrary to all rules.

The Russian Regiment in the Settlement flies the tricolored flag of a non-existing state. Today this flag has become the symbol of mutiny against the present Soviet Russian Government. And strange, but true, the S.M.C. presented this banner of mutiny to the regiment.

The Foreign community and its public spirit is most certainly led astray if they consider that the Russian volunteers are proud of this flag. The greater number of young men are either indifferent to it or simply hostile. The proud parties are the officers, and once more they dream of conceding a chance of return of "old Russia" with the help of a Japanese bayonet!

Such is the unhappy state of things existing in two military units. And it is of importance for foreigners and Chinese to be aware of these facts. There are but a few reasons to suspect that the Russian "emigrant" "leaders" and "generals" still represent the "emigre en masse"...*Reflector.*

Deadlock in U.S.-Philippines Sugar Freight Rate Talks

The revision of the Philippines-New York sugar freight rates is at crossroads as to whether the open system is continued or the new agreement is to be adopted, the *Asahi Shimbun* reported this week.

Negotiations in this connection are now progressing at Manila between the shippers and the representatives of the Philippines-New York Freight Conference. In contrast to the $8.50 plan proposed by the Japanese side, the $6.50 offer, reportedly, was made by the trampers, 20,000-30,000 tons, in the London market. In this connection, it is noteworthy that some of the Japanese representatives have taken a strong stand that the continuance of the open system might be inevitable, the paper said. The present system is one of the cardinal factors for the earning of the foreign currency by the Japanese side. With the transportation volume for a season amounting to about 900,000 tons, the freight revenue will total some $7,200,000 at $8 per ton, of which some 60 per cent usually becomes the revenue of the Japanese shipping companies.

Japan's Postal Savings Eclipse Y4,200,000,000 to Set New Record

The postal savings have been on a sharp increase recently reflecting the nation-wide zeal for serving the country with the savings, the *Asahi Shimbun* said this week. The advance of the postal savings has been specially noteworthy since July 8 when the postal savings deposits hit the Yen 4,000,000,000 mark, despite the advent of the summer depression season. As the result, the savings eclipsed the Yen 4,200,000,000 mark by Yen 2,229,000 as on September 20. The increase from the start of this year until September 20 totalled some Yen 516,000,000 which is more than twice as much as the increase in the same period a year gao amounting to Yen 252,000,000.

Indian Red Cross Unit Arrives

The members of the Indian Red Cross Unit, who have arrived in Canton from India to give aid to wounded Chinese soldiers as well as civilian victims of Japanese air bombings, were officially welcomed Sept. 23. They were honored at a reception given by General Wu Te-chen, Chairman of the Kwangtung Provincial Government. In the evening, a dinner was given in their honor by Mr. Tseng Yang-fu, Mayor of Canton.

They arrived in Changsha Sept. 23, en route to the front. The Indian relief workers brought with them a motor truck and an ambulance, which were donated by Indian sympathizers with China's campaign of resistance against Japanese invasion.

140 Japanese Face Trial in Political Roundup

More than 140 members of popular front organizations who were arrested Dec. 14 of last year and Feb. 1 of this year have been ordered to stand trial on charges of violating peace maintenance laws, it was announced in Tokyo this week. The cases of five leaders still are pending. Their preliminary examination has not been completed owing to their ill health and for other reasons.

In the United States Court for China

FORTUNA R. AQUINO CANCIO, Plaintiff,
vs.
RAFAEL CANCIO, Defendant.

Cause No. 4356
Civil No. 2235
ORDER.
Filed at Shanghai, China, September 16, 1938
William T. Collins, Clerk.

The object of this suit is the dissolution of the bonds of matrimony between the parties hereto.

WHEREAS plaintiff herein, by her attorney, has this 16th day of September, 1938, made application for the substitution of publication for personal service of summons upon the defendant herein; and

WHEREAS it appears from the files of this case that on the 16th day of September, 1938, the summons for the defendant was returned by the Marshal of the United States Court for China "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS it appears from the files of this case that on the 16th day of September, 1938, Fortuna R. Aquino Cancio, the plaintiff herein, filed an affidavit to the effect that the defendant herein was not residing in the Republic of China nor has he been within the jurisdiction of this Court during the last year previous to the 16th day of September, 1938;

NOW THEREFORE it is this 16th day of September, 1938, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the "China Weekly Review", a weekly paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 8th day of October, 1938, the day of the last publication of this Order; otherwise the case will be proceeded with as in case of default.

By the Court,

NELSON E. LURTON,
Special Judge.

Growing Exports Is Aid to Hankow's Currency Position

IT is no longer of much practical value, from a Chinese standpoint, to review volume and value of China's foreign trade in its entirety, John Ahlers wrote this week in the *China Press*, in a summary of China's foreign trade. Ahlers, rapidly becoming outstanding for his analyses on financial affairs, wrote:

The foreign trade of this country is carried on by two at present vastly different areas, separated by the front lines of opposed fighting armies, and living under distinctly different commercial regimes. There are the still independent parts of China under the National Government, trading via the ports and frontier posts which the Japanese could not yet occupy, and still adhering to the regular customs tariff of 1934.

There are also the Japanese-occupied areas and Shanghai, which, though it continues to enjoy a special position, is for all practical purposes situated behind the Japanese lines. In these areas the puppet customs tariff of 1938 is in force. Trend, volume and value of imports and exports effected by these two different parts of China vary greatly, and tendencies shown up in the total balance of China's foreign trade do not of necessity apply to both these regions. In these circumstances, the statement to the effect that China's total foreign trade during last month showed an export surplus of $3,093,557 means little. It will be much more interesting to find out where this surplus actually occurred: in independent China or in the Japanese-occupied areas?

Of the total foreign imports from abroad valued at $77,110,051 during last month, not less than $59,817,222 have been imported by the Japanese-occupied areas, including Shanghai. This figure amounts to 77 per cent of China's total imports. The Japanese-controlled territories, however, participated in China's exports with hardly 60 per cent, exporting in August goods valued at $47,912,326. Comparing import and export values of the areas under Japanese control we will find that these areas during the month under review, far from establishing an export surplus as shown in the balance of China's total foreign trade, actually had large a import surplus of $11,904,896.

Southern Activity Noted

The National Government's sphere of power, on the other hand, reported imports of $18,284,906 as against exports worth $32,352,118, so that this part of China succeeded in producing a large export surplus of $14,067,212. This fact cannot be emphasized strongly enough, because it is throwing a very favorable light upon China's currency position. Far from having to surrender specie or foreign exchange on behalf of an adverse balance of trade to other countries, the Central Bank of China accumulated from last month's trade £835,000 worth of foreign exchange from export surpluses.

As less than £100,000 in foreign exchange was forwarded to Shanghai, the foreign exchange position of the bank at the end of August must have been once more stronger than at the beginning of the month. Another interesting feature of the Chinese Maritime Customs returns of foreign trade during last month is the present extraordinary concentration of Chian's foreign trade in a few ports. Tientsin, in this respect, continues to hold by far the first position.

Import goods valued at $27,406,973 passed in August through the Tientsin customs, amounting to 35 per cent of China's total imports from abroad. In the same time, exports worth of $17,052,-067 left Tientsin making up 21 per cent of all of China's exports. Shanghai was during the month under review the most important export place, sending abroad goods valued at $21,194,883 which amounted to 26 per cent of all exports from China. But Shanghai's import share of 27 per cent was considerably lower than Tientsin's.

Canton Ranks Third

Canton-Kowloon, which complement each other and for the purposes of this article must be regarded as a unit, ranked third. These ports loaded 24 per cent of China's total exports and thus more than Tientsin, but received only 15.5 per cent of China's imports and, therefore, much less than either Tientsin or Shanghai. The foreign trade figures for these ports were $19,107,707 exports and $12,141,209 imports.

Tientsin, Shanghai, and Canton-Kowloon together disposal of 78 per cent of China's imports and 71 per cent of China's exports.

Total foreign trade that passed across the southern continental frontiers of China remained insignificant, amounting to less than $2,500,000 in value. No figures are available as to the continental trade with Russia which, however, can have scarcely attained any important volume.

Negotiations in U.S.

In connection with the visit of two China's leading financiers, K. P. Chen and Hsi Teh-mou, to Washington to discuss the question of a U.S. loan to China and the matter of a continuation of Chinese silver shipments, the *Wen Hui Pao*, a Chinese daily newspaper in Shanghai, pointed out that the Sino-American Silver Agreement which was concluded in June, 1936, was a measure for economic cooperation between the two countries.

In June, 1935, the United States started to enforce its silver purchase policy, which was aimed to increase the purchasing power of silver-using countries. But the result was not so satisfactory as expected, and China particularly has suffered from the worst result. Since 1929 which marked the beginning of world economic depression, China had for a time enjoyed some profits due to the slump in silver. However, the enforcement of the American silver purchase program caused a continued outflow of silver from China, and consequently there was an acute shortage of currency at home. In the Autumn of 1935 a shortage of currency was evident in this country, many Chinese banks and money shops having closed their doors. As a remedy, the Chinese Government began to levy export duty on silver and equalization tax. But these measures did not work satisfactorily.

In November the same year, the Chinese Government decided to enforce the epoch-making financial reform, which entailed the nationalization of silver and control of the currency. After the execution of the monetary reform, the issue of banknotes was centralized and silver used as exchange reserve. Since China has been for a long time a silver-using country, there was then a rich reserve of the white metal in the possession of her people. In order to stabilize the rates of foreign exchange the price of silver therefore must be fixed.

Three months following the enforcement of the financial reform, a sharp drop in silver price occurred in London due to the discontinuation of the American silver purchase program. At that time the Chinese Government dispatched K. P. Chen and C. K. Kuo to America to open negotiations for the stabilization of silver price. As a result of their negotiations, a silver agreement was reached, and 50,000,000 ounces of silver were purchased by the United States from China at the rate of 45 cents per ounce. By so doing, the American gold was given a chance to circulate between New York and London, and China's purchasing power was considerably increased due to the stability of silver price.

One Year Extension

The Silver Agreement expired in July, 1937, but was extended for another year as a result of an arrangement made by Dr. H. H. Kung during his visit to America. The agreement provided for an exchange of Chinese silver for American gold to be used as exchange reserves in American and security for exports credits. The agreement again expired last July, and hence the present talks for the continuation of Chinese silver shipments.

There is an ample historical background, the journal points out, behind Sino-American economic cooperation. The American Cotton and Wheat Loan has been the only foreign loan China has over contracted since the inception of the National Government. At the time of the conclusion of the loan China was faced with the unprocedented Yangtze flood and economic slump caused by the Japanese invasion of Manchuria. The United States was also then confronted with economic depression and therefore lost no time in disposing the surplus wheat and cotton in China. The silver agreement was an indication of an advancement of Sino-American economic cooperation.

China's War-Time Financial Conditions Reviewed

A comprehensive review of China's financial conditions since the outbreak of the Sino-Japanese hostilities is contained in a report recently issued by the Ministry of Finance. The report which was based on the findings of a monetary conference at Chungking at the latter part of last month, lays special stress on the following facts:

1. According to reports from Chinese banks in various localities, their business has been continued despite the hostilities and their branches in the Japanese-occupied areas have been removed to the interior. As the credit of all the bank remains sound, considerable increase in their deposites have been witnessed during the past 12 months. All these show that the integrity of China's financial organizations still remain intact after one year of war of resistance.

2. Although the amount of legal tender notes has been increased by $10,000,000 during the past year, the interior provinces are still faced with a shortage of currency. This also indicates the soundness of the Chinese monetary system.

3. The past fiscal year also witnessed am amazing increase in the loans given out by the Chinese banks, particularly the four State Banks, the Central Bank of China, Bank of China, Bank of Communications and the Farmers Bank of China. The total of the loans reached $60,000,000. Most of the loans were extended to farmers in the interior provinces.

4. Cooperative enterprises also made big strides since the outbreak of the war. According to official statistics, the number of cooperative socities in Hupeh, Honan, Hunan, Kweichow, Szechwan, Shensi, Kansu, Anhwei, Kiangsi, Chekiang and Kiangsu, exceeds 38,000. The Bank of China, Bank of Communications and Farmers Bank of China, the China International Famine Relief Commission and the China Rural Credit Bureau have been responsible for the development of cooperative enterprises.

5. The nation-wide "Offer of Gold to the State" movement and the concentration of gold and silver have also been reasonable for the stability of China's war-time finances. The Chinese cash reserves at home and abroad have been doubled since the start of the war.

The

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NANKING	*Chubsien*	Swatow	NANCHANG	Lanchow
Hsuchow	AMOY	TIENTSIN	*Chi-en*	Kweiyang
Panpu	Foochow	Peiping	*Fuchow*	CHUNGKING
Sinpu	*Chuanchow*	*Shihkaichuan*	Kiukiang	Chengtu
Chinkiang	*Yenping*	Tsingtao	Chengchow	*Wanhsien*
Yangchow	*Kien-ow*	Tsinan	Kaifeng	*Santai*
Hsiakwan	*Pucheng*	Pengpu	*Loyang*	HANKOW
HANGCHOW	*Santu*	Wuhu	Sian	*Wuchang*
Ningpo	CANTON	Anking	*Nanchang*	Changsha

FOREIGN CORRESPONDENTS:

NEW YORK, LONDON, BERLIN, PARIS, GENEVA, OSAKA, AND HONGKONG

Outstanding Events in the Sino-Japanese War

A DAY-TO-DAY SUMMARY

First installment of this day-to-day summary constituting a complete record of outstanding events in the Sino-Japanese war on all fronts appeared in the September 11th (1937) issue of The Review.

Sept. 11.—Strong Chinese fortifications at Wusueh and Matoucheng, strategic points on Hupeh-Kiangsi border, succeed in halting advance of Japanese warships attempting to force their way up to Hankow. On north bank of Yangtsze from which the main threat to Hankow is considered to come, the Japanese are making little progress in Kwangtsi which they have recaptured from the Chinese. Severe fighting continuing east of Mahweiling, on Western Shore of Poyang Lake, where the Japanese are said to be making determined attempt to break through Chinese right wing, in order to threaten the Chinese flank north of Tehan. Japanese warships heavily shelling Chinese positions in Sikuling. Nine Japanese airplanes raid Wuhan cities for over half an hour.

Real objective of Japanese drive in east Honan and west Anhwei believed to be aimed at capture of Shangchen, strategic city in Southeast Honan, mid-way between Luan and Sinyang, on Peiping-Hankow Railway. From Shangchen the Japanese hope to march south-westward, via Macheng, along the highway to Hankow.

Sept. 11.—Using Changchow on Nanking-Shanghai Railway as their base, Chinese mobile units on Kiangsu-Chekiang border are conducting large-scale guerilla warfare in Japanese rear. These mobile units are reported to include the new Fourth Army, the "South Yangtsze Vanguards," The "East Anhwei Vanguards," and also regular troops.

Severe fighting between guerillas and Japanese troops broke out on Sept. 7 at Sanhokong on north bank of Yangtsze, 20 miles due north of Woosung, according to refugees arriving at Shanghai. Japanese used 23 airbombers in their attack on guerillas.

Japanese military in Tientsin take special precautions against Chinese guerillas, as large number of them have penetrated into various villages near Tientsin. Large building used by Japanese Army as barracks in Hongkew (Shanghai) completely destroyed by fire; big stocks of cotton stored in godown of Toyoda Cotton Mills (Japanese) in western Shanghai distroyed in another fire. Origin of fires undertermined but incendiarism suspected.

Sept. 11.—Dr. Wellington Koo, Chief Chinese delegate to present sessions of the League of Nations Assembly and Council, pointed out (Sept. 10) in talk with R. A. Butler, British delegate, that China would withdraw from the League, if member-states failed to apply sanctions against Japan. China would demand application of Article 17 of League Covenant, Dr. Koo said.

Sept. 11.—Forty-third anniversary of First Revolution under leadership of Dr. Sun Yat-sen observed in Chungking yesterday (Sept. 10).

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Sept. 12.—Bitter fighting continues on both banks of Yangtsze. On south bank the Japanese and Chinese forces are locked in desperate battle for possession of Sikuling, which commands highway from Singtse to Tehan; despite severe Japanese attacks, the Chinese are still holding out in the hill. The main Japanese drive on north bank continue to be aimed at the capture of Shangchen, strategic town in southeast Honan. In terrific battle lasting a week in that region, Chinese communique asserted, the Japanese left on the field some 5,000 dead, including one brigade commander and two detachment commanders. Chinese admitted being forced to abandon a strategic hill position owing to severe aerial and artillery bombardment.

Some 2,000 Japanese troops said surrounded by Chinese in vicinity of Kwangtsi, on north bank of Yangtsze.

Sept. 12.—Some 1,300 wounded Japanese soldiers taken to Japan from Shanghai in two hospital ships, according to a report in **The China Press.**

Sept. 12.—Dr. Wellington Koo, chief Chinese delegate to the League of Nations Assembly and Council Meetings, sent a communication to the League Secretariat, requesting that the Council give immediate effect to Article 17 of the Covenant in regard to application of sanctions against Japan.

Sept. 12.—Motion condemning Japanese aggression in China adopted (Sept. 11) by Congress of International Union of Lawyers at Budapest.

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Sept. 13.—Sikuling, strategic hill commanding highway leading to Tehan on Kiukiang-Nanchang Railway, captured by the Japanese after a week of bitter fighting. Detachment of Japanese troops also landed at Lichiawan, southeast of Matoucheng for purpose of making combined attack on Matoucheng, opposite Wusueh on north bank of Yangtsze. Following capture of three hills west of Juichang by the Japanese, Chinese forces on night of Sept. 10 formed new line in hills running from Juichang-Matoucheng Highway to Juichang-Wuning Highway.

Small detachment of Japanese troops surrounded west of Kwangtsi on north bank of Yangtsze wiped out, according to Chinese report.

Several hundred Japanese marines reported landed (Sept. 12) on Waichow Island due south of Pakhoi.

Sept. 13.—British military command in Shanghai lodged strongly-worded protest with Japanese naval authorities against detention of Private William MacKenzie, Seaforth Highlander, yesterday (Sept. 12). Detention termed "most unfriendly act."

Two Chinese employees of an import and export company in French Concession wounded, when two bombs thrown into office by unidentified persons. Motive of bombing believed warning to the company which allegedly deals extensively in Japanese goods.

Sept. 13.—Japanese naval authorities yesterday (Sept. 13) took over control of Chefoo Harbor Commission, internationally appointed official body responsible for harbor control and development.

Sept. 13.—Peiping Post Office issues statement, declaring that the **Peking and Tientsin Times** has been barred from transmission through the mails; no reason given for the ban.

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Sept. 14.—Matoucheng, strategic point on south bank of Yangtsze opposite Wusueh, threatened by the Japanese. Despite strong Chinese resistance. Japanese forces based at Juichang steadily pushing westward and southwestward. Severe fighting continues in vicinity of Kwangtsi, important city on North bank of Yangtsze, where the Japanese are attempting to advance westward along highway leading to Hankow.

Matoucheng forts claimed captured by the Japanese following concerted attack by naval and military units. Occupation said effected by naval landing party led by Lt.-Commander Kitaro Haji, reports **Domei.**

Chinese forces charged by the Japanese with breaching right bank of Yellow River 20 miles east of Tungkwan; where flood waters likely to hamper Japanese attempts to cross river from Shansi. Japanese reinforcements from Japan continue to arrive in North China.

Sept. 14.—British Embassy at Peiping lodged another protest with the Japanese authorities against banning of British paper, **Peking and Tientsin Times.**

Sept. 14.—Medical Unit sent by Indian National Congress to help Chinese Red Cross Society arrives at Hongkong en route to Changsha.

Sept. 14.—Gen. Chiang Po-li, well-known Chinese strategist, who recently returned from tour of Europe, appointed President of Military Staff College, hitherto headed by Gen. Chiang Kai-shek.

Sept. 14.—At least 600,000 Chinese guerillas are operating in Japanese occupied areas in North China, says Captain Evans Calson, of the United Marine Corps, who arrived at Hankow after a four-month tour in the North, during which he travelled over 2,000 miles in company of Chinese soldiers. The Japanese control only garrisoned towns, railway lines and main highways. Capt. Calson visited Gen. Ma Chan-shan in Suiyuan, where Gen. Ma is directing guerilla warfare.

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Sept. 15.—Fighting on Kiukiang-Nanchang Railway front now centers along Singtze-Tehan highway, as the Japanese are making determined attempts to push to Tehan, gateway to Nanchang. The Japanese are massing troops at Mahweiling on the railway in preparation for push southward along the line. Hankow attaches little importance to fall of Matoucheng village, says Chinese fortifications located in hills west of Matoucheng. Japanese warships and airplanes continue to bombard the forts and also at Wusueh across the Yangtsze.

Westward drive of the Japanese towards Peiping-Hankow Railway halted on bank of Chialu River, in east Honan. Japanese pursuit planes reconnoiter over Hankow, but drop no bombs.

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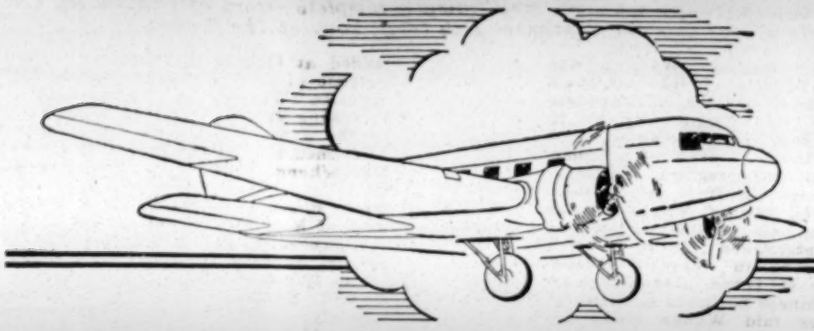
Sept. 16.—Severe fighting continues on road between Singtse and Tehan, as the Japanese are vigorously pushing

THE HIGHEST RECORD



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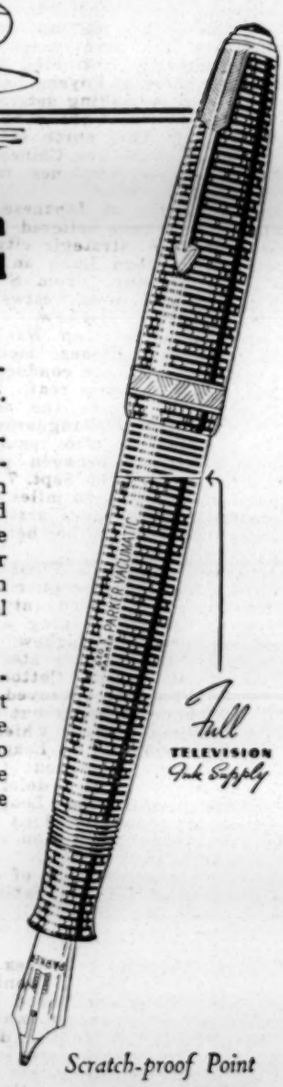

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toward the latter place. Intensity of battle indicated by Chinese communique, saying that 2,000 Chinese soldiers fell at Sikuling hill during three days, when Japanese troops made 16 assaults.
In southeast Honan, Japanese forces are converging on Huangchuan (Kwangchow) in two columns. In northeast Honan, Japanese column from Tikang is reported to have crossed Chialu River, reaching Kuchen, east of Hsuchang. Another Japanese column is attempting to cross Chialu River southeast of Chowchiakow in effort to reach Peiping-Hankow Railway.
Chinese forces on Kiukiang-Nanchang Railway attacking Mahweiling from the south, northeast and the east. Chinese troops southeast of Juichang also counter-attacking. Japanese naval forces launch vigorous attack from the air and the river on Wusueh, key city to Wuhan defence system, according to **Domei** report.

Sept. 16.—Appeal for immediate application of Article 17 of the Covenant made by Dr. Wellington Koo, chief Chinese delegate, before Assembly of League of Nations. He also asked the Assembly to

1. Enforce an embargo on war and raw materials and financial credits to Japan and to grant to China financial credits and material aid.
2. Send a League commission of inquiry to China as a preliminary to measures "deterring the Japanese from using poison gas and practising indiscriminate bombing."

Sept. 16.—Eleven persons, including one British subject, nine Chinese and one Japanese, injured when two hand-grenades thrown on Soochow Road directly south of Szechuen Road Bridge in Shanghai. Object of attack believed some "Ta Tao" official crossing the bridge. No arrests made.
"Colonel" Walter Yang alias Yang Kya-chu, pro-Japanese terrorist convicted of murder of Tsai Tiao-tu, newspaper editor, last winter, sentenced to life imprisonment by First Special District Court.

Sept. 16.—Chinese war refugees reach total of 100,000,000, according to Japanese report.

Sept. 16.—Two millions winter suits for soldiers at the front

(*Continued on page 159*)

Sirovy's Exploits in Russia Recalled by Local Czechs

GEN. Jan Sirovy, Czechoslovakia's new Premier and the Czech Legion of the World War, which fought for four years aside by side with the Allies against the Central Powers, are well remembered in Shanghai, the *China Press* reported this week in an article recalling the exploits of Sirovy and the Czech Legion in Russia during the world war.

The present Czechoslovakian Minister to China, Mr. J. Seba, served as a colonel in the Czech Legion. Mr. J. Siepan, the Chancellor of the Czechoslovakian Legation in Shanghai, held the commission of major in the force. Dr. K. Panek, well known Shanghai physician who died here a few years back, was the chief physician of the legion.

There were Czech legions fighting with the Allies on the French and Italian fronts, but none were ever so famous or so revered at home as the Czech Legion of the Russian Steppes. Organized at Kiev, in the Ukraine, by Sirovy, who at the outbreak of the war was a civil engineer in Warsaw, then a city in Czarist Russia, early in 1915, the legion was composed entirely of volunteers. Its ranks were made up of Czechs taken prisoners of war oy the Russians, Czech deserters from the Austrian and Hungarian armies, and some adventurous Czechs from abroad.

General Gajda, a Czech who had fought in the Serbian army as early as the Balkan War of 1912 and who came to Russia for the purpose of joining the Czech Legion, was one of these adventurous spirits. The founding of the Czech Legion (Czech Lruzina), and its recognition by Professor T. G. Masaryk, who supported by France headed the Czech National Council at Kiev, was, in a sense, the founding of the present democratic Republic of Czechoslovakia.

Masaryk's government was backed by the legion. He issued orders and signed commissions. It was this government in Kiev which first gave General Sirvoy his commission in the army of the Czechs. The uniform of this legion was almost identical with that of the Russian troops. Its one mark of distinction was a white and red cockade (the colors of ancient Bohemia) worn on the cap. It's flag was composed of two broad stripes ; white above red. No gulf existed between officers and men in the Czech Legion. The only distinction on an officer's uniform was a stripe on his sleeve.

The Czech language, like the Russian, has two pronouns : the formal "you" and the familiar "thou." The familiar terms, even to the highest officer, were always used within the Legion. A soldier habitually addressed General Sirovy as "brother General."

In 1920 when this legion was finally brought home to Czechoslovakia it comprised nearly 85,000 men. "In the winter of 1917," one member of the legion told *The China Press*, recounting the circumstances leading to his joining the Czech legion, "I was attached to a Hungarian regiment stationed on the Galician front, along the banks of the Zbrucz River.

Deports Reach Trenches

"Rumors, strange tales of adventure and reports of the exploits of the Czech Legion filtered in among the ranks, and in the trenches and back in the mountain hovels we used for habitation, two or three of us Czechs would gather and discuss our plight. The Hungarians themselves were good fellows and fierce fighters but the officers were cruel, discipline was harsh rather than effective, and as Czechs we were just a trifle more welcome than the enemy.

"No one can say that the Hungarians were not brave fighters. I think even braver than the German, although far less effective, but when there was something mean and dirty to do you could be sure it was a Czech who was sent to do it. There was a ten-day armistice along the front there shortly before I made my dash." the old soldier continued, "and we had fraternized with the Russian troops and were perfectly familiar with their army along that front. We even knew their officers' names and personal details concerning them.

"One day, while a company of us penetrated down to the banks of the River Zbrucz to repair some wires. I tested the ice and found it hard. That night a party of five men was sent out from the front line trenches to repair another wire. The Hungarian officer in the trench noted our going over. He checked us out and told us we had a half hour.

"The soldiers with me were good scouts. They didn't care whether I went or not. So when we finished work on the wire I had behind a tree and they climbed back and reported all men back. The officer, of course, would not take the trouble to come out of his dugout and count them. It was midnight. A bright moon was out. I was left alone, crooching behind a tree on the banks of the frozen stream, I was a free man, free of the shackles of the Austrian-Hungarian army for the first time in over two years.

"The ice was not as thick as I had supposed it to be. My foot broke through in several places. In the bright moonlight, I must have been plainly visible to the trenches behind, stumbling and crawling across the ice. The sounds of a few shots, fired probably more in the air than at me, came from behind. Otherwise, everywhere was silence and peace. It was more than an hour before I reached the opposite shore.

Russian Soldier Asleep

"I had expected to be challenged in Russian at any moment but there seemed to be no sign of life anywhere. I huddled in a sort of pit for a short while and then, gathering up my courage, called out a greeting in Russian. No one answered. After a while I made my way to the first trench and clambered over the top. To my amazement it was empty. Walking fully erect I crossed a field and finally came to a small hut guarded by a sentry with fixed bayonet. He was leaning against the door, fast alseep on his feet.

"I shook him. When he finally opened his eyes he merely gazed at me stupidly. That a man in an Austrian uniform should be shaking him did not bother him at all. Speaking to him in Russian, I persuaded him to conduct me to his commanding officer. The officer was asleep in a hut nearby. Only the inevitable samovar, and small camp bed were in the room.

"Knowing his name, I came to a smart salute, gave my name and nationality and greeted him by name. He roused himself from bed, laughed and offered me some hot tea. At five o'clock that morning I was taken to the Russian headquarters and questioned. Everywhere I was treated as a brother. The amazing thing was that the German Intelligence service knew even the most minute details concerning the Russian organization, while the Russians were blissfully ignorant of what was happening behind their enemies' lines. They did not even seem to really care.

"At eleven o'clock that morning I met the General commanding the army on that front. He was courteous, amiable, spoke German. A few days later I was in Kiev. President Masaryk was there. It was the headquarters of the future Czech state and of the Czech Legion. Here I joined the army of future Czechoslovakia."

General Sirovy was then in Siberia with nearly one half of the Czech Legion. President Masaryk was in Kiev. The remainder of the Czech Legion in European Russia at that time was under the command of Major General Chechek (Cecek).

Masaryk Makes Decision

It was around Christmas of 1917 that President Masaryk made his decision that the Czech Legion would take no part in the coming Russian Revolution and civil war. The "Czech Legion is fighting for its homeland and is at war only with the Central Powers," he is reported to have declared in a manifesto of the time. "Therefore, the Czech Legion has no enemies in Russia and will not fight Russians." The Bolshevik leaders agreed to the evacuation of the Czech Legion from Russia via Archangel.

Considerable amusement was caused in Vladivostok at that time by the publication of a cartoon in the Czech daily. It depicted the Czech Legion sailing for home aboard a transport in 1948. General Sirovy was pictured hobbling with a cane and tangling his feet in a long flowing beard. However, the legion did get home. Two American transports, chartered by the Red Cross, carried contingents from Vladivostok through the Panama Canal to Marseilles and Trieste. Here they entrained for their homeland, now the proud Republic of Czechoslovakia.

The S. S. Heffron was one of the these transports. Besides the American transports, 17 Japanese ships were chartered to bring the legion home. These vessels were chartered by the new Czechoslovak Economic Commission and first came to Shanghai where they were fitted out as transports. From Shanghai they sailed to Vladivostok and transported the men via the Suez Canal to Trieste. General Sirovy returned to Czechoslovakia aboard one of these Japanese ships.

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Who's Who in China

楊鵬 (字叔翔)

Yang Pang (Yang Shu-hsiang)

Yang Pang, judicial official; born at Chinyuan, Kweichow, 1896; graduate, Peking Chao Yang University and Law College of Berlin University, Germany; Professor, Law School of North Eastern University at Mukden, Institute for the Training of Judicial Officials at Nanking and Law School of Soochow University at Shanghai; chief instructor, Mukden High School for Police Officers; Lecturer, Law School, Peking University and Chao Yang University; member, Committee for the Study of North Eastern Foreign Affairs; Judge, Shanghai First Special District Court; technical member, Committee for Readjustment of Administrative Ordinances and Regulations of the Political Council under the Central Executive Committee; member, Committee for Examination of Judicial Officials; member, Committee for High Civil Service Examination, 1935; Councillor, Ministry of Judicial Administration, Nanking; now, President, Third Branch of Kiangsu High Court, Shanghai; author of the following books; "A New Treatise on Company Law," "A New Treatise of Law of Maritime Commerce," "Negotiable Instruments Law", "German Civil Law" and "Chinese Jurisdiction Under the Yoke of Foreign Aggression" (written in German at Berlin University, appended with Honor Certificates and a translation in Chinese by the staff of the Chinese Embassy in Berlin); address: The Third Branch of Kiangsu High Court, Shanghai.

British Troops Leave for Hongkong

Hurriedly packing their equipment within two hours, the 1st Battalion of the Seaforth Highlanders left Shanghai for Hongkong Sept. 26. Though admittedly unusual, there is no ominous significance to be attached to this sudden departure for the Colony on board H.M.S. Birmingham, according to British Military Headquarters here. *The China Press* was officially informed that the embarkation of the Seaforth Highlanders was part of an exercise connected with maneuvers are which about to take place in Hongkong. An early return of the regiment may be anticipated, it was stated.

British Military Headquarters emphatically denied two rumors which were given birth following the Seaforths' departure—that the Durham Light Infantry would also leave Shanghai, and that the East Surrey Regiment, which has already embarked for Shanghai from England, will be diverted en route. It was announced that the East Surreys are due in Shanghai on October 7 by the troopship Lancashire, and that only then will the Durhams leave the city.

Curious crowds of Chinese and foreigners watched the embarkation, not knowing what to think in view of the total absence of departure notifications in the local press. Police turned out to keep the crowds back. The first unit was packed and embarked approximately two hours after the order was received here. Within three and a half hours the entire regiment had left the Bund. Only those members of the Seaforth Highlanders who are in the sick bay remained is Shanghai. The Durhams have taken over Sector "B." Many unfounded rumors were circulated in connection with their departure. One stated that the regiment was ordered to Hankow, and another that the Seaforths were to strengthen the Colony's defenses against a possible Japanese attack.

OUTSTANDING EVENTS IN THE SINO-JAPANESE WAZ

(*Continued from page 157*)

being made at Hankow. Madame Chiang Kai-shek personally surpervising work; is also directing scores of women's first aid units at the front.

Sept. 16.—"We do not think that the capture of Wuhan cities will end the hostilities," said Prince Konoye, Japanese premier, in interview with the press yesterday following his return to Tokyo from visit to Prince Saionji, only surviving "genro."
War Minister, Lt.-Gen. Itagaki declared (Sept. 15) that Japan would continue hostilities in China for "ten years or more so long as anti-Japanese and anti-Manchukuo influences and pro-communist

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Men and Events

K. E. Graham of the Standard-Vacuum Oil Company who has been ill at the Country Hospital is improving.

Lieut. Com. Taro Isobe, former press officer for the Japanese Navy at Shanghai, has gone to Japan where he will rejoin two fleet.

Chin Han-yen, 62-years of age, veteran member of the Central committee of the Kuomintang Party, died at his residence in Shanghai on Sept. 21.

Brig. Gen. Percy P. Bishop of the Philippine Division, U.S. Army, stationed at Manila, has been assigned to the command of the Seventh Corps Army Headquarters at Omaha, Nebraska.

National Highways Commission of the Ministry of Communications at Chungking, called a conference on highway communications to meet in Chungking beginning on Sept. 28.

The American Red Cross announced on Sept. 20 that it was shipping, beginning on Oct. 8. large quantities of Red Cross flour to Spain where it will be distributed both sides of the civil was lines.

Dennis McEvoy, son of the writer J. P. McEvoy, is now in Japan where he plans to remain for a year of study. He is a graduate of the University of Chicago and is a member of a Japanese-American student culture group.

T. V. Vlachos, representative in Canton for United Aircraft Exports Corporation and Sino-Airmotive Company, was reported missing on Sept. 21 while on a trip on a military truck from Changsha to Tehan.

A son was born on Sept. 22, at the Country Hospital, to Mrs. J. T. C. Crawley, whose husband was shot and killed by Japanese airplane machinegunners near Hankow last August. Mr. Crawley was a member of the Chinese Maritime Customs.

A total of 8,809 pupils are enrolled in Municipal Schools of the International Settlement this term, according to report of the Educational Department on Sept. 21. Of the total enrollment, 1,232 are foreign and 7,577 are Chinese.

The Japanese military authorities in North China have appointed 23 Japanese directors to serve in the Chinese Post Office for the purpose of "rationalizing" the service, according to the announcement.

Shojiro Otake, Japanese Consul-General at Tsingtao, has been appointed Minister to Latvia, Estonia and Lithuania. Yoshiaki Miura, now Consul-General in London, has been appointed to Tsingtao.

Mrs. Shigeharu Matsumoto, wife of the manager of the Japanese official *Domei* news service, arrived in Shanghai on Sunday, Sept. 25 to visit her husband who is ill at the Foomin Hospital in Hongkew.

Lu I-wen, recently appointed Manchukuoan Minister to Germany departed from Chungking for Tokyo to receive instructions, prior to his departure for Berlin. Mr. Lu will travel to Germany the N. Y. K. liner Yasukuni Maru.

Mrs. Mary Nitobe, widow of the late Dr. Inazo Nitobe, noted Japanese publicist and under-secretary of the League of Nations, died in Tokyo of heart failure at Karuizawa, Japan, on Sept. 23. Before her marriage, Mrs. Nitobe was Miss Mary P. Elkinston.

Empress Nagako, according to a *Domei* dispatch from Tokyo, has composed a poem in honor of the victims of Soviet bombs and gunfire at Changkufeng, copies of which, together with boxes of candy, will be presented to the families of each of those killed in the order hostilities between Japan and the Soviet Union.

According to *Domei* Takashi Isaka, president of the Tokyo Gas and Power Company, may succeed Chokuro Kadono as chairman of the Japanese Chamber of Commerce and Industry and concurrently chairman of the Tokyo Chamber of Commerce and Industry. The reason for Mr. Kadono's resignation was not given.

According to the official Soviet *Tass* news agency, a Soviet aviator named Fokanov and crew, flying a fast passenger plane, covered the distance from Moscow to Khabarovsk, Siberia, a total distance of 14,930 Kilometers, within 58 hours. The return flight from Khabarovsk to Moscow was made in 29 hours, 40 minutes.

Hachiro Arita, former Japanese Ambassador to China and later Foreign Minister in Tokyo, who was recently appointed one of three Foreign Office Advisers, is scheduled to make a tour of inspection in Japanese-occupied zones in China, according to *Domei* report from Tokyo on Sept. 23. Chinese interpret his trip as concerned with Japanese recognition of the new regime now being created in Peiping by the Japanese military authorities.

Dr. H. F. McNair, member of the faculty of Chicago University, and Mrs. McNair, who was Miss Florence Ayscough prior to her marriage, are now traveling in Japan and Manchukuo and are expected in Shanghai shortly. Dr. McNair is collecting material for a course in Chinese literature while Mrs. McNair is making a study of Chinese music. After a visit here they will proceed to Indo-China, India, Java and will then proceed to the United States by way of Europe. Dr. McNair was for several years professor of history and government at St. John's University while Mrs. McNair was honorary librarian of the North-China branch of the Royal Asiatic Society.

Major Edward Hagen, Assistant U. S. Naval Attache, and Mrs. Hagen, were hosts at a farewell reception for Col. and Mrs. Charles F. B. Price of the Fourth Marines on Wednesday afternoon, Sept. 28 at their home, 154 Route Dufour.

Hatsusaburo Hirao, who was appointed highest economics adviser to the Japanese Expeditionary Force in North China, became seriously ill while returning to his post in Peiping from Tokyo and is now confined to a hospital at Tangkantzu, Manchuria.

James D. Hammond, managing editor of *The China Press*, departed from Shanghai on Saturday, Sept. 24, on home leave. He plans to visit at his home in Nevada and will then proceed to Washington, D. C., and New York before returning to Shanghai. Mrs. Hammond and their son, now in the United States will return to Shanghai with Mr. Hammond early next year.

According to the *Sin Wan Pao*, the Academia Sinica, formerly located in Shanghai, is now functioning, almost normally, in Kunming, Yunnan province. All machinery and laboratory apparatus, previously in the workshops here, have been set up in the new buildings in Yunnan. Present scientific research covers industrial products, electrical engineering, pottery-making, etc.

According to the Shanghai *Nippo*, Japanese paper, the Japanese authorities in Tokyo have called a conference of all foreign commercial attaches in Japan to meet at the Tokyo Industrial Club on Oct. 14, the purpose being to discuss the problem of improving Japan's trade with foreign countries in the present emergency. The meeting will be held under the auspices of the Japanese Economic League.

The Cultural Works Bureau of the Japanese Foreign Office is planning a campaign to construct a home or hostel for some 100 foreign students now residing in Tokyo. The report stated that the students are suffering serious inconvenience due to inability to find suitable homes while residing in Japan. The only organization serving this purpose is International Students' House, which is regarded as inadequate.

Owing to the large number of Japanese aviators who have been killed in the China war, the Japanese authorities are now recruiting cadets in Shanghai and in other Japanese communities in China. Boys who are between 15 and 17 years of age and have completed their elementary education are eligible for admission to the Army Aviation School, provided they are able to pass rigid physical and intelligence tests. The number to be enrolled this fall will be approximately 1,100.

Mrs. Ernest H. Tong and her troupe of eight Chinese musicians and women prominent in the social life of Shanghai, arrived in Los Angeles on Sept. 2, following a trip from Shanghai, by way of Hongkong and Manila. The party will give entertainments for Chinese relief organizations at various universities, women's clubs and private homes of the United States, for a period of four or five months. Mrs. Tong is the wife of Ernest H. Tong who is the secretary to Gen. Wu Teh-chen of the Kwangtung provincial government.

Four Chinese organizations, National Y. W. C. A., the Shanghai Y. W. C. A., the Ginling Alumnae Association and the Ching-Ching Alumnae Association will hold a memorial service on Oct. 2 in honor of Mrs. D. Y. Lin. The service will be held at the Shanghai Y. W. C. A. 999 Bubbling Well Road at 3 p.m. Mrs. Lin, who was formerly Miss Chen Ying-mei, died in Hongkong last month. Mrs. Lin was a pioneer in physical education for women and served as the first principal of the original school for physical education for women in China, established by the Y. W. C. A. in 1915. She was a member of the boards of the organization in Nanking, Shanghai and Canton. She went to Canton at the beginning of the war and devoted herself to the care of refugees, to such an extent that she undermined her health and died on Aug. 17. Funds raised at the memorial service will be used to establish a scholarship in physical education at Ginling College.

Formosan Arrested for Imitating B. A. T. "Ruby Queens"

A Formosan, Japanese subject, was arrested and given a preliminary hearing in the First Special District Court on Saturday, Sept. 24 on a charge of operating a plant in Hongkew where imitation "Ruby Queen," and "Pirate" cigarettes were manufactured.

The two brands are the most popular produced by the British-American Tobacco Company.

The Formosan was arrested at the Chapoo Road bridge across Soochow Creek as he was transporting a cart-load of the imitation cigarettes into the section of the Settlement, "south of the creek." When he was taken to Court it was discovered that he was a Formosan and the proprietor of a factory at No. 2 An-ning Li, off North Szechuen Rd. A raid on the factory netted some 150,000 cigarettes and a large quantity of cheap tobacco and also a large quantity of imitation packages. Ten Chinese employes of the plant, who professed ignorance of the illegality of the factory, were also arrested and held for investigation.

The proprietor, whose name was Mokka Ko, was turned over to the Japanese authorities.

Large Crowds Viewed Funeral Cortege of Late Singloh Hsu

The funeral service and burial of the well known Chinese banker, Singloh Hsu, were held in Shanghai on Saturday and Sunday, Sept. 24 and 24 and were attended by large crowds of Chinese and foreigners. The streets, through which the funeral cortege passed were lined with large crowds of Chinese residents. Mr. Hsu was killed near Canton when a civil commercial plane in which he was traveling was forced down and the passengers machine-gunned by Japanese naval warplanes. Thirteen other passengers were also killed and the plane destroyed.

Mr. Hsu was head of the National Commercial Bank, a member of the Shanghai Municipal Council and director in numerous local commercial and civic organizations. He was also member of the Board of Directors of *The China Press*. He is survived by his widow, Mrs. Hsu Yang Yu-Hsuan, a son Ta-Chun and two daughters, Ta-Ching and Ta-Keng. Large numbers of Mr. Hsu's friends and business associates marched in the funeral cortege. Burial was at the Hungjao Road cemeters.

A well known American writer, in a recent reference to the late Mr. Hsu said, "Mr. Hsu was a rare personality of his class indeed, a generous and sincere and honest man, and one of the few first class financial brains in China."

Among many proposals for memorials for Mr. Hsu, the one receiving most general approval is the construction of a memorial public library in Shanghai. It was suggested that a library similar to the Commercial Press Library in Chapei be constructed in Mr. Hsu's honor. The Commercial Press Library was destroyed by the Japanese in the war in 1932.

Japanese Interfere with Travelers to Tsingtao or North China

In order to stop at Tsingtao, on a trip to North China foreign travelers must have tickets to Tsingtao, otherwise the Japanese military authorities will not permit them to land at the Shantung port. The only way to get around the regulation is to obtain a special permit or pass from the Japanese military granting permission to land at Tsingtao. In addition to this regulation, the Japanese also will not permit anyone to travel in the interior of Shantung without a special pass from the Japanese military authorities. According to a *United Press* dispatch from Peiping, ordinary passport visas are not sufficient to obtain landing permits unless accompanied by military passes.

Malaya Making War Preparations

With the possibility of a future war crippling her communications with other parts of the British Empire and leaving her to depend upon her own resources, Malaya is now making a strong effort to become a self-supporting country, and investigations into her food problems to meet an emergency are at present being made, *Reuters* reported from Kuola Lumpar last week.

Mr. C. A. Vlieland, one of the outstanding civil servants, who has been in Malaya for twenty-five years, has been appointed Chief Food Control Officer, a new post. His main preoccupation is to preclude a repetition of the food fiasco experienced during the Great War, when Malaya paid $42,000,000 Straits (about £5,000,000) for rice supplies from India, Burma and Siam.

Of her population of nearly five millions, ninety-three per cent are rice-eaters—Malays, Chinese, Japanese, Sumatrans and Southern Indians. But only the Malays plant padi (rice), and the total area under this vital crop is 740,000 acres, with an annual production now reaching 320,000 tons of rice. But total consumption of rice is nearly 900,000 tons, so farmers supply only about thirty-five per cent of the country's rice needs, and it is estimated that an additional area of 1,400,000 acres is required to make Malaya independent of foreign imports.

To this end, engineers are carrying out large irrigation and reclamation schemes, some of which are described as larger than the reclamation of the Pontine Marshes. The biggest single work just completed, the Krian Irrigation Scheme, in the central state of Perak, comprises 60,000 acres, took four years to carry out and yet cost only $375,000 (about £44,000) with the cheap immigrant labor available. The area was largely swamp and forest before, but now small, thatched farmers' huts lie in a sea of waving padi stalks stretching as far as the eye can see in all directions.

More Chinese Return to Hongkew

According to figures released by the Shanghai Rehabilitation Office of the Japanese Naval Special Service Section, permits for return to Hongkew issued to Chinese households numbered 15,464 up to Sept. 20, while 7,442 have actually returned. The numbers of heads of families, family members lodgers and employes were listed respectively as 7,442, 25,196, 3,721 and 9,518, the total being 45,877, the *Shanghai Mainichi* reported this week.

In the United States Court for China

HARVEY SANBORN WALSETH
Plaintiff,
vs.
ANNE STEWART WALSETH,
Defendant.

Cause No. 4358
Civil No. 2237
ORDER
Filed at Shanghai, China September 22, 1938.
WILLIAM T. COLLINS
Clerk

The object of this suit is an action for divorce for the dissolution of the bonds of matrimony between the parties hereto.

WHEREAS, plaintiff herein, by his attorney, has this 22nd day of September, 1938, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 21st day of September, 1938, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 21st day of September, 1938, the plaintiff herein filed an affidavit to the effect that the defendant does not now reside in China, nor has she resided therein for more than six months last past from said date, and that defendant's last known address was c/o Lucette Fischer, 3511 Elliott Street, San Diego, California, U.S.A.

NOW, THEREFORE, it is this 22nd day of September, 1938, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the China Weekly Review, a paper of general circulation most liekly to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 8th day of October, 1938, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:
Dated at Shanghai, China,
this 22nd day of September, 1938.

NELSON E. LURTON,
Special Judge.

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,,	59	,,	13	— February	27, 1932
,,	60	,,	1	— March	5, 1932
,,	60	,,	3	— March	19, 1932
,,	66	,,	6	— October	7, 1933
,,	68	,,	8	— April	21, 1934
,,	82	,,	5	— October	2, 1937
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,,	83	,,	4	— December	25, 1937
,,	83	,,	10	— February	5, 1938

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THE CHINA WEEKLY REVIEW

160 Avenue Edward VI
Shanghai

New Books of Interest in the Far East

Japan's "Culture"

What War Means: Japanese Terror in China. Compiled From Eye-Witness Accounts by H.J. Timperley. London, Victor Gollancz Ltd. 1938. 288 pp.

War Damage in the Nanking Area, December, 1937, to March, 1938, Surveys by Dr. Lewis S. C. Smythe. June, 1938. Mercury Press. Shanghai. 31 pp. and 32 Tables.

Events of the past 14 months have done much to destroy the myth of Japan's civilization. What Japan's soldiery has done in this country has not been witnessed by the world since the days of Attila. The most sinister feature of this frightfulness was the fact that it was being committed in pursuance of a definite and well-thought out Imperial policy. While Japan's diplomats and apologists are still mouthing sweet nothings about 'bushido,' Emperor Meiji's rescripts and Japan's high standard of culture, her armies are continuing to enforce a reign of terror, designed to bring China to her knees.

Mr. Timperley's material will not be new to readers in Shanghai. Probably two thirds of it has appeared in local publications, including the China Weekly Review. Much has been published abroad and reprinted locally. A little has been contained in letters received here and circulated from hand to hand.

But on the world at large the impact of the book should be terrific. Compelled to rely for their information regarding Japan's "holy crusade" in the Orient mainly upon press reports, the general public has a difficult time finding a needle of truth in a haystack of Japanese propaganda, which dominates most of the news emanating from the war zone.

What Mr. Timperley *had set out to do was* to gather within the covers of a compact book data on Japanese atrocities in China secured from neutral observers. Most of the reports reprinted in the work come from Nanking, where the Nipponese Imperial Army—theoretically aspiring to display gentleness—displayed an almost incredible bestiality.

Mr. Timperley does not pull his punches. This is why much of his material is gruesome and revolting. But when one, finally, ends the perusal of the testimony presented in the book, and especially of the reports and official letters included in the appendix, he can scarcely have any illusions regarding Japan's high-sounding claims and slogans.

"Probably it will have occured to some readers," says Mr. Timperley in the concluding chapter, "to question how far the outrages committed by the Japanese Army in China were simply the result of troops running wild in the heat of victory or how far they may have represented a policy of deliberate terrorism on the part of the Japanese authorities. The facts of the case point to the latter conclusion. Military excesses are understandable, though still not excusable, where they occur immediately after the occupation of a city, especially when the occupation comes at the end of a wearisome compaign. But in Nanking, however, to quote an outstanding example, outrages by Japanese soldiery went on for three months after the occupation of the city and were still continuing when the writer left China early in April, 1938."

What Mr. Timperley could have pointed out was that officers either ignored the looting and rape perpetrated by their men or themselves took part in it. He could also point out that in Nanking, Hangchow, Soochow and other cities *Army trucks* were employed to move the loot. He could, finally, recall that Lieut.-Gen. Prince Asaka, a relative of the Emperor, was in command of the troops in Nanking for at least three months after its occupation and took no step to check the excesses of his men. What better proof is needed that Japan has stooped to ordinary crime to attain her questionable ends.

Dr. Smythe's scholarly work on the damage done in Nanking by the war forms an admirable Adjunt to Mr. Timperleo's compilation. While studiously avoiding anything that might savor of propaganda, Dr. Smythe unavoidably arrives at the same conclusion:

"The burning in the municipal areas immediately adjoining the walled city of Nanking, and in some of the towns and villages along the southeasterly approaches to Nanking, was done by the Chinese armies as a military measure—whether proper or imdamage to proper, is not for us to determine. A very small amount of civilian life and property was done by military operation along the roads from the southeast, and in the four days of moderately severe attack upon the city. Practically all of the burning within the city walls, and a good deal of that in rural areas, was done gradually by the Japanese forces (in Nanking, from December 19, one week after the entry, to the beginning of February). For the period covered in the surveys, most of the looting in the entire area, and practically all of the violence against civilians, was also done by the Japanese forces,—whether justifiably or unjustifiably in terms of policy is not for us to decide. . . "

And in a foot note, Dr. Smythe reports: "Among the injuries reported to our Rehabilitation Commission by the 13,530 families applicants for relief, whom they investigated during March, was rape to the extent of 8 per cent of all females, 16-50 years. This figure is a serious understatement, since most women who suffered such treatment would not volunteer the information, nor would their male relatives. . . "

It is difficult to get the facts of any major development until it becomes history. The books compiled by Mr. Timperley and Dr. Smythe not only supply the world with facts—they also serve as a blistering indictment of Japan's barbarity in China.

A.L.

Pamphlets Received

The Yenching Journal of Social Studies, published semi-annually by Yenching University, Peiping, China.

The publication contains the following articles: Recent Population Changes in China, by Ch'eng-Hsin Chao; Professor Hung on the *Ch'un Ch'iu*, by Ssu-Ho Ch'i; Intensive and Extensive methods of Observing the Personality-Culture Manifold, by Harold D. Lasswell; The Kiaotsi Railway Consumers' Co-operative Society; Printing Paper: Its Supply and Demand in China. Under Notes and Queries may be found Notes on the Necessity of Field Research in Social Science in China, by An-Che Li; When was the First

In the United States Court for China

HARRY MORRIS STUCKGOLD, *Plaintiff,* vs. MARGARET ELIZABETH STUCKGOLD, *Defendant.*	Cause No. 4361 Civil No. 2240 ORDER Filed at Shanghai, China September 26, 1938. WILLIAM T. COLLINS Clerk.

The object of this suit is the dissolution of the bonds of matrimony between the parties hereto.

WHEREAS plaintiff herein, by his attorney, has this 26th day of September, 1938, made application for the substitution of publication for personal service of summons upon the defendant herein; and

WHEREAS it appears from the files of this case that on the 26th day of September, 1938, the summons for the defendant was returned by the Marshal of the United States Court for China "Defendant cannot be found within the jurisdiction of this Court;" and

WHEREAS it appears from the files of this case that on the 26th day of September, 1938, Harry Morris Stuckgold, the plaintiff herein, filed an affidavit to the effect that the defendant herein was not residing in the Republic of China nor has she been within the jurisdiction of this Court during the last year previous to the 26th day of September, 1938;

NOW THEREFORE it is this 26th day of September, 1938, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the "China Weekly Review", a weekly paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 15th day of October, 1938, the day of the last publication of this Order; otherwise the case will be proceeded with as in case of default.

By the Court,

NELSON E. LURTON,
Special Judge.

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THE CHINA WEEKLY REVIEW

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Foreign Loan to China, by Gideon Ch'en.

America Looks Ahead, by Frederick L. Schuman and George Soule. A World Affairs Pamphlet, published by the Foreign Policy Association, New York.

This pamphlet is the third in a new series which deals with international problems affecting the United States.

The Mexican Oil Dispute, by Charles A. Thomson, published by the Foreign Policy Association.

It is a study of the underlying conflict of forces between capital-exporting and capital-importing countries.

Alien Landownership versus Open Door in China, by Kurt Bloch, published by the Institute of Pacific Relations, New York.

Understanding Australia

Press, Radio and World Affairs, by W. Macmahon Ball; published by Melbourne University Press, Melb. Australia, pp. 185.

This little book is of interest in helping one to understand the sources of Australian public opinion on foreign affairs and the description and analysis which the press and radio give in Australia of World Affairs. The study was suggested and made possible by the Institute of Pacific Relations and is another of their valuable contributions to a better understanding of world conditions. The study is based on the newspapers of Sydney and Melbourne because more than one-third of Australia's total population of 6,800,000 is concentrated in those two cities.

The book is made up of a series of papers on The Australian Press and World Affairs; The Australian Press and Japan; The Australian Press and the U.S.S.R.; The Australian Press and the Abyssinian War; The Australian Press and the Imperial Ideals; and Broadcasting and World Affairs. After a discussion of sources as to cable services and special correspondents, the first paper takes up the subject of the success of Australian newspapers in providing accurate, objective and comprehensive news of the world outside. While the report of the news is usually prompt and accurate, the service is marred by (a) a paucity of news from Pacific countries in comparison with the great amount of European news, (b) by misleading and confused reports of militray operations in Spain, China and Abyssinia, and (c) by meager and confused information about events in those countries where the press censorship is most stringent.

The policy of the press is greatly influenced by the conviction that Australia can control her own fiscal policy only so long as she has British protection, hence she must support British foreign policy and consequently commend that policy to its readers. Several of the papers refer to this as a weakness for Australia's interests are distinctly Pacific and not European. They feel that in dealing with Japan and Russia, in adhering to the Imperial policy they were jeopardizing their own economic position. There was a distinctly pro-Japanese feeling even thru the Manchurian Incident, but since 1936 there has been a complete reversal in attitude toward Japan and stress is laid on her low standards of living and menace in competition without giving proper credit of Japan's rationalization and re-organization in industry or to the benefits to Australia in having Japanese markets for her wheat and wool.

In their discussion of the Australian Press and the League, it was felt that there had been considerable conflict and uncertainty in the press because its approach to the question was influenced as to whether to follow Great Britain completely or make reservations in case of war. It was felt that the causes of present conflicts both in Abyssinia and China arose from maldistribution of the world's resources and were between the 'have' and 'have-not' powers, even the League being an organ of the latter and working from them. Until the reverse face in 1936, the view point was that there were obligations to assist Japan in solving her economic difficulties and providing markets and raw materials, for immigration did not solve the problem of overpopulation, the experience being that the lacunae thus fored were soon refilled.

As to the U.S.S.R., up to 1929, the picture given of Russia was one of unrelieved black. Politically and economically, there was no approach to clarity. The press unduly stressed the negative side and omitted to give due justice to many creditable achievments. More recently, the press seems to have entered on a new era of more critical study and fairer treatment of the U.S.S.R., although there is still a certain amount of latent hostility that is capable of flaring up at short notice into hatred, fear and suspicion.

In broadcasting in Australia, the government has chosen to operate in a system midway between that used in England and that used in America. Beside the usual radio programs, the A.B.C. broadcasts fresh information about foreign affairs and explains and discusses the background of world tendencies. In spite of poor, fragmentary and inadequate reports, there is no doubt that tinerest has been stimulated and knowledge extended among more serious-minded listeners. It is not unusual to find people living 'out back' who have a very wide knowledge of world conditions and who have gained almost all their knowledge from assiduous listening to wireless talks.

While primarily dealing with the sources of public opinion, the book is of value in throwing light on a continent too little known, and one that will come more and more to find a larger place in the relationships that must develop in the countries bordering the Pacific. In helping to understand those relationships, this tillet book is most highly recommended.

M. C.

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大事日記
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十二月份
附錄
序言
一，蘆溝橋的烽火
二，中津河北戰役
(一)直逼平津
(二)平漢線上
(三)津浦道中
(四)結論
三，察綏與山西戰役
(一)南口嘆血抗戰
(二)張家口與劉汝明
(三)大同與鄂門關
(四)綏遠告失
(五)平型關的勝利
(六)忻口血戰
(七)娘子關與太原
(八)八路軍與游擊戰
(九)結論
四，江南戰役
(一)滬滬三月
(二)南京與杭州
(三)結論
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五，魯北魯東戰役
(一)不戰不守的轉變
(二)青島的破壞
(三)結論
六，中國空軍戰史
(一)中國空軍的建立
(二)中日作戰概況
(三)中國空軍會戰實錄
七，第一階段中的政治與革
(一)廬山會議
(二)國共的合作
(三)戰時法令陸續公佈
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安定金融條法公佈
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(二)對國際外交之聲明
(三)中蘇互不侵犯條約的訂立
(四)國聯大會
(五)九國公約會議
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This interesting and useful book answers most of the questions about military and political developments concerned with the Sino-Japanese military crisis.

It shows how efforts were made to localize the conflict and prevent it from spreading, how the efforts nearly succeeded, and it points to responsibility for the failure.

It contains references to extent and value of property destroyed, references and suggestions as to American and other foreign policies as they developed to meet the various situations. In short, it answers most of the questions pertaining to details of the struggle and is an invaluable reference work for those who were here and observed various phases of the crisis—and for those who were not here, but are interested.

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4. When and how the war spread to Shanghai.
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THE CHINA WEEKLY REVIEW

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